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FINE ARTS MUSEUMS of SAN FRANCISCO

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Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees

California Palace of the Legion of Honor
Board Room
Lincoln Park
San Francisco, California
Thursday, January 16, 1997, 3:00 p.m.*

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AGENDA

Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to the meeting.

Minutes of the meeting will be made in alternative formats upon request.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The MUNI's wheelchair-accessible No. 18 line stops in front of the Legion.

***Or such earlier time as the Fine Arts Museums of San Francisco Board of Trustees meeting ends, but in no event before 3:30 p.m.**

Administrative Offices
233 Post Street, San Francisco, CA 94108-5003
tel: 415.750.3600 fax: 415.750.7686

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For access to the Legion from downtown, take MUNI's wheelchair-accessible No. 38 Geary line to 33rd and Clement and connect with the No. 18 line. For more information about MUNI's accessible services, call (415) 923-6142.

There are accessible parking spaces (disabled-designated) available in front of the Legion.

Accessible seating for persons with disabilities (including those using wheelchairs) will be available.

For Telecommunication Device for the Deaf (TDD), the Museums use the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

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ORDER OF BUSINESS

I. Calling of the Meeting to Order - Mrs. Alfred S. Wilsey, Chairman

II. Calling of the Roll

Trustees

Ruth Asawa
Shirley Breyer Black
Mrs. Philip E. Bowles III
Robert J. Bransten, Vice President/Collections
Mrs. Barbara Bohannon Carleton
Mrs. Ransom S. Cook
Charles Crocker
Belva Davis
Mrs. Ray Dolby
Mrs. John V. Erickson
Richard P. Essey
Richard H. Finn
Morgan Flagg
Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard W. Goss II, President
Douglas W. Grigg
Reuben W. Hills III
David R. Hoyer
Beverly James
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Mrs. Gorham B. Knowles
Mrs. Peter McBean
J. Alec Merriam
Michael W. Michelson
Robert A. Mills
Walter S. Newman
Mrs. Julian Peabody
Mrs. W. Robert Phillips

II. Calling of the Roll (continued)

Katharine Doyle Spann
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Wm. Laney Thornton, Vice President/Annual Support
Burl A. Toler, Sr.
Sidney R. Unobskey
Marshall I. Wais, Sr.
Harry H. Wetzel
Mrs. Alfred S. Wilsey, Chairman
Alfred S. Wilsey

Ex-Officio Trustee Members

Mayor Willie L. Brown, Jr.
Vincent J. Rovetti, President, Recreation and Park Commission

Absences to be Excused:

George McNear Bowles
David A. Coulter
Mrs. Richard Goodyear
George M. Marcus
Alexander R. Mehran
Kenneth Rainin
Steven MacGregor Read
George R. Roberts
Waldermar Rojas
John N. Rosekrans, Jr.
Gail P. Seneca
Frank Montgomery Woods

Non-Voting Officers
Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

There will be an opportunity for public comment before action is taken on each agenda item.

III. Report of the Chairman - Mrs. Alfred S. Wilsey

A. Report on the Fund Raising Campaign for a New de Young Museum and Resolution to Establish the Fund Raising Goal

Approved ___

B. Other Informational Items

IV. Report of the President - Richard W. Goss II

A. Approval of the Minutes of the December 5, 1996 Executive Committee Meeting (See Appendix A)

Approved ___

B. Report on Special Year End Gift Appeal

C. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Authority to Transfer Stock and Resolution

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

Approved ___

V. Report of the Chief Executive Officer - Harry S. Parker III (continued)

B. Authorization to Open Stock Brokerage Account at EVEREN Securities, Inc. and Resolution

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Treasurer and Controller of the Corporation to open an account in the name of the Corporation at the stock brokerage firm of EVEREN Securities, Inc., for the sole purpose of receiving and selling gifted shares of stock to this Corporation; and be it

FURTHER RESOLVED, That this account remains in full force until rescinded or modified by this Board.

Approved ___

C. Covering Transfer of Securities at EVEREN Securities, Inc. and Proposed Board Resolution ___

RESOLVED, That any one of the following officers and employees of the Corporation of The Fine Arts Museums, to wit:

Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

and he/she is authorized to sell, assign, transfer or dispose of any stocks, bonds, or other securities now or hereafter owned or held by the Corporation at EVEREN Securities, Inc.; and be it

FURTHER RESOLVED, That any Transfer Agent, Registrar or issuer of securities to whom a copy of this resolution shall be delivered may rely upon this resolution until such time as written notice of any change, amendment or cancellation thereof shall have been received by such Transfer Agent, Registrar or issuer of securities.

Approved ___

D. Report on FY 1996-97 Operating Budget (See Appendix B)

E. Status Report - Museum Society Wind Up and Dissolution

F. Other Informational Items

VI. Report of the Audit Committee - Harry H. Wetzel, Chair

A. Coopers & Lybrand Presentation

B. Acceptance of Auditor's Financial Statements for the Year Ended June 30, 1996 and Resolution

WHEREAS, Coopers & Lybrand submitted to the Corporation of The Fine Arts Museums (COFAM) Audit Committee a draft Combined Financial Statement for the year ended June 30, 1996, including COFAM, the Fine Arts Museums Foundation, and the Fine Arts Museums of San Francisco as a department of the City and County of San Francisco; and

WHEREAS, on December 4, 1996, the COFAM Audit Committee reviewed these financial statements and recommended that the COFAM Board of Trustees accept them; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums, upon the recommendation of the COFAM Audit Committee does hereby accept the Coopers & Lybrand Combined Financial Statements of the Fine Arts Museums of San Francisco for the year ending June 30, 1996.

Approved ___

VII. Report of the Annual Support Committee - Wm. Laney Thornton, Chair and Vice President / Annual Support

VIII. Report of The Fine Arts Museums Foundation - Charles Crocker, President

IX. Adjournment - Mrs. Alfred S. Wilsey, Chairman

COFAM Operating Budget Report

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November 30, 1996

Overview

For the five months ended November 30, 1996, the cumulative operating budget bottom line was $273,463 which was $269,378 better than budget due to *Faberge* July profit, gains in facility rental income, and other expenses not incurred as soon as expected. However, after an unbudgeted $170,000 COFAM donation to the Campaign for a New de Young is taken into account, the bottom line shrinks to $103,463

Support was ahead of budget by $199,947 due to annual contributions and the use of exhibition specified funds earlier than expected. Revenues were $150,505 more than budgeted with gains in *Faberge* store sales and ticket revenue, plus higher than projected rental income and other fees. However, admissions income, membership dues, and concession fees all continued to trail budget. November personnel costs were higher than the original budget but in line with the 11/6/96 rolling forecast. Other expenses were below budget for the first five months of the fiscal year.

The COFAM Reserve stood at $1,299,648 (compared to $1,316,153 a month ago). As discussed at the December Executive Committee, efforts are underway to restore the minimum $2 million level set by board policy.

The budget includes a column for the 11/6/96 Rolling Forecast, which was reviewed by the Budget Committee and provided to the December ExCom meeting as part of the budget report. The Rolling Forecast takes into account increased operating costs now that both

museums are open, as well as unbudgeted de Young campaign costs of $170,000 at the end of November. To bring the operating budget plan back to balance, the ExCom approved raising the Annual Contributions goal by $170,000 to $2,270,000. In addition, management was charged to complete the job of formulating a $146,644 package of revenue initiatives and cost savings. This package is being put together now as part of mid-year budget review.

Support and Revenue

Annual Contributions were up $47,279 (Appendix "A" page 5). While store sales were off in November, they remain above budget for the year primarily due to the *Faberge* store (Appendix "B" page 6). An update of the Exhibition Program is also included in this report (Appendix "C" page 7). This revised exhibit projection shows a overall $216,076 net improvement, owing to cost savings and more grants.

Expenses

While personnel costs were running more than original budget, they are in line with the Rolling Forecast, which takes labor costs up $333,000 to cover both staffing adjustments to operate both museums with full annual programming for the first time in five years, as well as new union contract costs.

Other expenses were up for the month because of exhibit expense timing. However, they are down substantially for the first five months, as are total other expenses.

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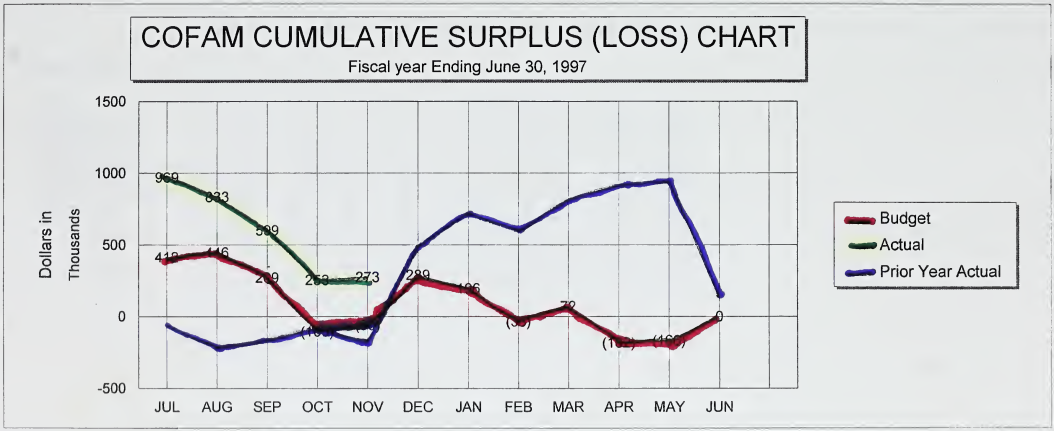
COFAM Operating Budget Report

November 30, 1996


COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal year Ending June 30, 1997
Dollars in Thousands
1500
1000
500
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JUL
AUG
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969
833
599
273
273
299
106
78
0
Budget
Actual
Prior Year Actual

	(1) November		(2) 5-Months			(3)			(4)	(5)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	% Actual To Original Budget		Rolling Forecast 11/6/96	Actual Prior Year At 5 Months	Notes
SUPPORT & REVENUE										
Support										
1) Annual Contributions	169,000	265,934	857,500	704,779	47,279	2,100,000	33.6%	2,270,000	491,890	See Appendix "A" page 5 for details
2) Society Contribution	0	0	0	0	0	0	0.0%	120,000	368,750	
3) Foundation Endowment Support	62,240	89,607	411,200	418,567	7,367	986,895	42.4%	986,895	383,335	
4) Specified Funds										
--Curatorial/Conservation	27,262	26,273	122,678	145,417	22,739	327,145	44.5%	337,145	126,598	
--Achenbach Collection Mgmt. Project	0	0	0	10,103	10,103	0	0.0%	0	71,855	
--Publications	2,000	890	7,000	45,250	38,250	64,000	70.7%	64,000	104,322	
--Exhibition Funds Secured	10,000	14,232	150,000	221,242	71,242	471,541	46.9%	574,232	179,915	See Appendix "C" pages 7 and 6 for details
--Exhibition Funds To Be Raised	10,000	0	20,000	30,000	10,000	100,000	30.0%	45,000	10,000	
--Education Programs	7,580	19,077	55,335	64,836	9,501	237,700	27.3%	242,200	59,877	
--General	7,448	6,467	33,518	36,045	2,529	89,379	40.3%	94,866	202,236	
Subtotal Specified Funds	64,290	66,959	388,529	552,893	164,364	1,289,765	42.9%	1,357,443	754,803	
5) COFAM Investment Income	13,000	673	71,000	51,937	(19,063)	150,000	34.6%	150,000	91,490	
Subtotal Support	348,530	423,373	1,528,229	1,728,176	199,947	4,526,860	38.2%	4,884,338	2,090,268	

	(1)		(2)			(3)			(4)	(5)
	November-		5-Months-			% Actual		Rolling		
	Original Budget	Actual	Orignal Budget	Actual	Variance to Y-T-D Budget	To Original Budget		Forecast 11/6/96	Actual Prior Year At 5 Months	Notes
Revenue										
6) Museum Store Sales	302,835	255,066	1,345,656	1,518,450	172,794	2,282,100	66.5%	2,734,918	560,256	See Appendix "B" page 6 for details
Less Discounts	(21,663)	(12,328)	(89,077)	(61,849)	27,428	(150,179)	41.1%	(146,263)	(79,956)	
Less Cost of Goods	(156,650)	(144,102)	(699,766)	(749,997)	(50,231)	(1,184,109)	83.3%	(1,373,115)	(267,315)	
Less Commissions	(1,227)	0	(4,909)	0	4,909	(13,500)	0.0%	(13,500)	0	
Gross Profit	123,295	98,636	551,904	706,604	154,900	934,312	75.6%	1,202,040	212,985	
7) Facilities Rental Gross	40,000	74,558	155,000	258,811	103,811	425,000	60.9%	425,000	34,600	
8) Benefits Gross Income	0	0	0	0	0	45,000	0.0%	45,000	45,800	
9) General Admissions COFAM Net	150,735	181,260	899,495	876,357	(23,138)	1,559,561	56.2%	1,496,232	308,917	Museum Attendance -
10) Food & Beverage Concession Fees	22,583	23,146	98,300	75,008	(23,292)	191,281	39.2%	129,072	32,625	November: 131,197 visitors, 51% paid, budgeted - 135,000 visitors, 43% paid
11) Exhibition Program Earned Income	0	49,476	251,400	311,978	60,578	616,199	50.6%	587,795	3,840	Year to Date: 477,505 visitors, 50% paid, budgeted - 550,000, 45% paid
12) Museum Society Membership Services	0	0	0	0	0	0	0.0%	0	198,145	
13)FAM Membership Dues	191,766	151,164	1,010,064	879,601	(130,463)	2,640,000	33.3%	2,551,680	700,757	Year to date: 16,867 dues paid members averaging $52.15 per member
14) Conservation Services	18,334	20,140	81,667	89,249	7,582	196,480	45.4%	225,746	69,407	Compared to budgeted goals of 15,168 dues paid members averaging $60 per member
15) Miscellaneous										48,095 active members
--Development Trip Fees	0	0	75,000	18,108	(56,892)	120,000	15.1%	120,000	28,533	
--Other Fees	27,296	10,147	136,479	193,898	57,419	327,550	59.2%	327,550	209,387	
Subtotal Revenue	572,009	608,527	3,259,309	3,409,814	150,505	7,055,383	48.3%	7,110,115	1,842,796	
Total Support & Revenue	920,539	1,031,900	4,787,538	5,137,990	350,452	11,582,043	44.4%	11,994,453	3,933,064	

	(1) November Original Budget	Actual	(2) 5-Months Original Budget	Actual	Variance to Y-T-D Budget	(3) % Actual To Original Budget		Rolling Forecast 11/6/96	(4) Actual Prior Year At 5 Months	(5) Notes
EXPENSES										
Personnel Expenses										
16) Curatorial										
Curatorial/Conservation/Education	163,631	150,410	899,968	907,172	7,204	2,127,196	42.6%	2,182,434	802,204	
Project Funded Term Employees	27,075	47,602	174,617	167,223	(7,394)	375,580	44.5%	467,724	136,573	
Exhibit Group	54,897	63,388	300,830	293,350	(7,480)	711,052	41.3%	732,908	277,130	
Exhibit Program Temporary Labor	3,320	17,385	70,020	116,194	46,174	139,120	83.5%	139,120	35,986	
17) Development	27,388	39,077	150,620	194,123	43,503	356,010	54.5%	420,127	149,813	
18) Administration										
Administration General	80,744	104,252	444,093	472,492	28,399	1,049,875	45.0%	1,045,292	329,337	
Operations Group	14,706	16,005	80,883	80,975	92	191,177	42.4%	200,190	73,811	
Stores	37,720	35,364	190,345	216,858	26,513	428,710	50.6%	484,249	166,598	
Facilities Rental	11,783	29,553	84,808	88,670	23,862	153,182	57.9%	153,258	49,173	
19) Marketing & Membership										
General	16,249	16,676	89,370	87,863	(1,507)	211,239	41.6%	214,750	99,922	
Public Relations & Advertising	20,639	33,924	114,627	104,839	(9,788)	270,936	38.7%	274,489	78,405	
FAM Membership Services	26,230	11,516	144,265	150,988	6,723	340,989	44.3%	353,235	106,894	
Museum Society Membership Services	0	0	0	0	0	0	0.0%	0	74,115	
Subtotal Personnel	484,380	565,332	2,724,646	2,880,747	156,101	6,354,886	45.3%	6,667,774	2,379,961	

	(1) November		(2) 5-Months			(3)			(4)	(5)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	% Actual To Original Budget		Rolling Forecast 11/6/96	Actual Prior Year At 5 Months	Notes
Other Expenses										
20) Curatorial										
Curatorial/Conservation/Education	35,583	54,966	186,205	253,717	67,512	493,734	51.4%	510,234	187,585	
Publications	2,000	890	7,000	45,250	38,250	84,000	70.7%	84,000	104,322	
Exhibit Group	6,929	4,939	31,183	20,816	(10,367)	83,155	25.0%	83,155	18,474	
Exhibit Program	83,082	158,247	720,379	529,384	(190,995)	1,583,544	33.4%	1,520,038	273,406	
21) Development										
Development General	47,716	50,218	194,721	132,808	(61,913)	527,525	25.2%	527,525	194,420	
Benefits	0	0	0	0	0	19,800	0.0%	19,800	32,078	
22) Administration										
Administration General	61,683	82,323	283,740	350,685	66,945	740,191	47.4%	793,495	313,250	
Operations Group	40,602	47,152	186,770	202,809	16,039	487,225	41.6%	487,225	132,432	
Facilities Rental	5,800	2,568	20,550	8,756	(11,794)	60,350	14.5%	60,350	3,402	
Stores	4,871	4,101	18,384	61,864	43,480	52,268	118.4%	96,116	28,149	
Stores AAM Payable	0	0	0	0	0	0	0.0%	0	0	
23) Marketing & Membership										
General	9,217	3,741	42,400	48,345	5,945	110,609	43.7%	112,609	139,867	
Public Relations & Advertising	37,505	5,546	145,773	93,691	(52,082)	390,060	24.0%	392,060	110,223	
FAM Membership Services	13,419	31,614	241,702	235,655	(6,047)	614,716	38.3%	616,716	143,572	
Museum Society Membership Services	0	0	0	0	0	0	0.0%	0	110,467	
Subtotal Other Expenses	328,387	446,327	2,058,807	1,983,780	(75,027)	5,227,177	38.0%	5,283,323	1,479,266	
Total Expenses	812,767	1,011,859	4,783,453	4,804,527	81,074	11,582,043	42.0%	11,971,097	3,859,227	
SUPPORT & REVENUE OVER EXPENSES	107,772	20,241	4,085	273,463	269,378	0	n/a	23,358	73,837	
COFAM SUPPORT OF BOND MEASURE CAMPAIGN		(20,000)	0	(170,000)	(170,000)	0	n/a	(170,000)	0	
SUPPORT & REVENUE OVER EXPENSES	107,772	241	4,085	103,463	99,378	0	n/a	(146,644)	73,837	
LESS PLANT FUND DEPRECIATION	(20,595)	(20,595)	(102,975)	(102,975)	0	(259,500)	39.7%	(259,500)	(99,535)	
	87,177	(254,345)	(98,890)	170,488	269,378	(259,500)	n/a	(406,144)	(25,698)	

Annual Contributions Report -- Month Ending November 30, 1996 (41.7% Of The Budget Year)

(1)	(2)			(3)				(3)	
Contribution Categories	November 1996 Budget	November 1996 Actuals	November'95 Actuals	Year To Date Budget	Year To Date Actuals	Variance to Y-T-D Budget	Prior Year Actuals	Current Year Annual Goals	Current Year % of Annual Goals Achieved
1) Associates ($5,000 and up)	45,000	196,346	38,189	275,000	371,273	96,273	182,686	1,150,000	32.3%
2) Patrons ($2,500 - $5,000)	5,000	6,000	0	7,500	8,750	1,250	7,000	45,000	19.4%
3) Friends ($1,000 - $2,500)	35,000	38,000	29,500	130,000	125,616	(4,384)	109,714	350,000	35.9%
4) National Council/Other	3,000	7,185	11,000	19,000	21,230	2,230	29,926	40,000	53.1%
5) Mail Drive	75,000	12,403	10,530	120,000	45,160	(74,840)	97,878	150,000	30.1%
6) Phone Campaign	0	0	35	0	0	0	3,760	140,000	0.0%
7) Business	20,000	1,000	6,038	75,000	66,155	(8,845)	27,841	125,000	52.9%
8) Foundations	6,000	5,000	18,000	31,000	66,595	35,595	33,085	100,000	66.6%
	189,000	265,934	113,292	657,500	704,779	47,279	491,890	2,100,000	33.6%

Appendix "B" – Stores Report: 4 Months Ended November 30,1996

	In House Merchandising						Outside Merchandising					
	(1) deYoung Store		(2) Legion Store		(3) Faberge Store		(4) Beat Store		(5) Wholesale & Royalties		(6) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Sales	596,300	336,113	406,350	383,091	192,000	648,047	83,734	96,749	67,272	54,451	1,345,658	1,518,450
Discounts	(53,667)	(20,735)	(24,381)	(14,906)	(7,680)	(23,004)	(3,350)	(3,004)	0	0	(89,078)	(61,649)
Cost of Goods	(304,113)	(168,133)	(211,302)	(189,993)	(103,680)	(317,342)	(45,216)	(45,440)	(35,456)	(27,089)	(699,767)	(747,997)
Commissions	0	0	0	0	0	0			(3,375)	0	(3,375)	0
Gross Profit	238,520	147,245	170,667	178,192	80,640	307,701	35,168	48,305	28,441	27,362	553,436	708,804
Personnel Expenses	108,800	134,407	52,393	27,686	4,635	32,981	12,428	7,359	12,089	14,424	190,345	216,858
Other Expenses	12,112	23,112	4,172	5,367	900	28,578	1,200	4,807	0	0	18,384	61,864
Total Expenses	120,912	157,519	56,565	33,053	5,535	61,559	13,628	12,166	12,089	14,424	208,729	278,722
Gross Profit Over Expense	117,608	(10,274)	114,102	145,139	75,105	246,142	21,540	36,139	16,352	12,938	344,707	430,082
Variance to Year To Date		(127,882)		31,037		171,037		14,599		(3,414)		85,375

	In-House Exhibitions	Venue	(1) Runs		(2) Cost Original	(2) Cost Revised	(3) Gifts and Grants Original	(3) Gifts and Grants Revised		(4) Income Original	(4) Income Revised	(5) Nets Original	(5) Nets Revised
1	Pergamon: The Telephos Frieze Restored (199)	L	04-May-96	08-Sep-96	85,838	30,000						(85,838)	(30,000)
2	Fabergé in America (102)	D	25- May-96	28-Jul-96	44,708	55,000				136,400 199K Tix	222,748 23.6K Audio	91,692	167,748
3	Paris Modern: The Swedish Ballet 1920-1925 (131)	L	15-Jun-96	29-Sep-96	47,670	51,000	15,000	15,000 1,000 4,770 19,647 1,041	NEA Baer DeMares Osher Amer Scandanav			(32,670)	(9,542)
4	Irving Norman (112)	D	03-Jul-96	06- Oct 96	10,196	3,000						(10,196)	(3,000)
5	Unraveling Yarns Rotation (122)	D	00-Aug-96	00-May-97	6,899	12,000	0	1,233	Wiscal			(6,899)	(10,767)
6	Arts of Oceania (113)	D	04-Sep-96	ongoing	53,057	30,000	10,000	10,000 20,000	Frede Fleischacker			(43,057)	0
7	Art of the Americas Cultural Crosscurrents (136)	D	04-Sep-96	8-Dec-97	13,094	13,094						(13,094)	(13,094)
8	The Observant Eye: Drawings by Don Bacardy (140)	D	04-Sep-96	01-Dec-96	16,095	13,095						(16,095)	(13,095)
9	Beat Culture and the New America (110)	D	05-Oct-96	29-Dec-96	199,142	199,142	199,142	199,142	Root $198,142 Branslen $1,000			0	0
10	Treasure of Imperial China	A	14-Oct-95	08-Dec-96									
11	Sculptor's Works on Paper/Achenbach (128)	L	12-Oct-96	18-Jan-97	5,910	5,910						(5,910)	(5,910)
12	Modern Scupiture from the Nasher Collection (183)	L	26-Oct-96	18-Jan-97	265,499	265,499		10,000 25,000 20,000	McCutcheon Doyle McNeil Wilsey			(265,499)	(210,499)
13	The Shape of Belief: African Art from the Heide Collection (185)	D	16-Nov-96	00-Mar-97	11,267	11,267						(11,267)	(11,267)
14	If the Shoe Fits (182)	D	00-Nov-96	00-Apr-97	2,625	2,625						(2,625)	(2,625)
15	American Galleries	D	01-Dec-96	ongoing	0	5,000						0	(5,000)
16	Art of the Americas: Identity Crisis (137)	D	00-Jan-97	00-Apr-97	13,094	13,094		13,094	NEA			(13,094)	0

(Continued)

		venue	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
17	The Peale Family: Creation of a Legacy (107)	D	25-Jan-97	05-Apr-97	184,249	184,249	184,249	184,249	Root			0	0
18	Anderson Collection	L	08-Feb-97	04-May-97	0	20,000						0	(20,000)
19	Masterpieces of the Morgan Library (115)	L	15-Feb-97	27-Apr-97	125,874	125,874						(125,874)	(125,874)
20	Bouquets to Art	?	00-Mar-97	00-Mar-97									
21	Reinstallation of the American Gallery 5	D	00-Mar-97	ongoing	0	5,000						0	(5,000)
22	AOA Rotation (121)	D	00-Apr-97	ongoing	3,150	3,150	3,150	3,150	Fleischacker			0	0
23	Youth Arts Festival	D	00-May-97	00-May-97									
24	Roy Lichtenstein (145)	D	00-May-97	00-Oct-97	0	10,000						0	(10,000)
25	Life & The Afterlife in Ancient Peru (124)	D	17-May-97	10-Aug-97	188,720	188,720	60,000	60,000	NEA	69,999	49K visitors	(58,721)	(28,721)
								30,000	Patterson				
26	John Martin Deluge Trilogy	L	01-May-97	01-Jul-97	0	42,492	0	25,000	Transamerica	0	15,000	0	(2,492)
										Yale participation			
26	Andean Textiles (116)	D	00-Jun-97	00-Nov-97	27,825	27,875						(27,825)	(27,825)
27	Nathan Oliveira Monotypes	L	00-Jun-97	00-Aug-97	14,816	14,816						(14,816)	(14,816)
28	Recent Acquisitions from AFGA	L	00-Jun-97	00-Aug-97	8,411	8,411						(8,361)	(8,361)
29	Grants and Gifts To Be Raised						100,000	45,000				100,000	45,000
			Subtotal In-House Exhibits		1,328,129	1,340,263	571,541	687,326		206,399	237,748	(550,149)	(345,140)
	FAM Traveling Exhibitions												
30	Faberge - Traveling				328,000	328,000				345,000	345,000	17,000	17,000
										Participation fees, shipping			
31	Pergamon - Traveling				64,800	12,500				64,800	23,567	0	11,067
										Metropolitan Museum			
	Subtotal Traveling Tours				392,800	340,500	0	0		409,800	368,567	17,000	28,067
	Total In House and Traveling Exhibitions				1,720,939	1,680,763	571,541	687,326		616,199	606,315	(533,149)	(317,073)

ASSETS		LIABILITIES & FUND BALANCES	
Cash	559,977	Accounts Payable	323,389
Cash Equivalents	1,475,977	Other Accrued Liabilities	3,233,930
Accounts Receivable	2,924,308	Deferred Income - Restricted	853,295
Prepaid Expenses	211,902	Deferred Income - Unrestricted	2,626,678
Note Receivable	100,000	Fund Balances	
Inventory - Store	786,240	Unrestricted Fund	3,340,369
Inventory - Publications	448,835	Plant Fund	(2,173,995)
Investment in Bonds	750,000	Revenues over Expenses	
Furniture & Equipment (Net)	858,877	(Note 2)	(87,550)
	8,116,116		8,116,116

COFAM Reserve At 11/30/96 1,299,648

Note 1 -- Reserve Formula		Note 2 -- Revenues over Expenses	
Cash & Cash Equivalents	2,035,954	Operating Revenue over Expenses	103,476
Bonds	750,000	Less Plant Fund	(218,775)
Accounts Receivable	2,924,308	Less Restricted Funds	27,749
Less Accounts Payable	(323,389)	Less Airport Fund	0
Less Other Accrued Liabilities	(3,233,930)		
Less Deferred Income - Restricted	(853,295)	Surplus / (Deficit)	(87,550)
	1,299,648		

COFAM Balance Sheet At October 31,1996

ASSETS		LIABILITIES & FUND BALANCES	
Cash	286,867	Accounts Payable	410,472
Cash Equivalents	1,629,946	Other Accrued Liabilities	3,214,480
Accounts Receivable	2,944,096	Deferred Income - Restricted	569,804
Prepaid Expenses	229,076	Deferred Income - Unrestricted	2,701,017
Note Receivable	100,000	Fund Balances	
Inventory - Store	855,983	Unrestricted Fund	3,340,369
Inventory - Publications	411,010	Plant Fund	(2,173,995)
Investment in Bonds	650,000	Revenues over Expenses	
Furniture & Equipment (Net)	879,472	(Note 2)	(75,697)
	7,986,450		7,986,450

COFAM Reserve At 10/31/96 1,316,153

Note 1 -- Reserve Formula		Note 2 -- Revenues over Expenses	
Cash & Cash Equivalents	1,916,813	Operating Revenue over Expenses	103,939
Bonds	650,000	Less Plant Fund	(196,419)
Accounts Receivable	2,944,096	Less Restricted Funds	16,783
Less Accounts Payable	(410,472)	Less Airport Fund	0
Less Other Accrued Liabilities	(3,214,480)		
Less Deferred Income - Restricted	(569,804)	Surplus / (Deficit)	(75,697)
	1,316,153		

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1/16/97

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees

January 16, 1997

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Call to Order

A meeting of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, January 16, 1997, in the Board Room, California Palace of the Legion of Honor, Lincoln Park, San Francisco. A quorum being present, the meeting was called to order at 4:21 p.m. by Mrs. Alfred S. Wilsey, Chairman.

Roll Call

The following Trustees were present:

Ruth Asawa
Shirley Breyer Black
Mrs. Philip E. Bowles III
Robert J. Bransten, Vice President/Collections
Barbara B. Carleton
Charles Crocker
Belva Davis
Mrs. Ray Dolby
Mrs. John V. Erickson
Richard P. Essey
Richard H. Finn
Morgan Flagg
Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard W. Goss II, President
Douglas W. Grigg
Reuben W. Hills III
David R. Hoyer
Beverly James
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Leonard E. Kingsley
Mrs. Gorham B. Knowles
Mrs. Peter McBean
J. Alec Merriam
Robert A. Mills
Walter S. Newman
Mrs. Julian Peabody

Roll Call (continued)

Mrs. W. Robert Phillips
Katharine Doyle Spann
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Wm. Laney Thornton, Vice President/Annual Support
Burl A. Toler, Sr.
Sidney R. Unobskey
Harry H. Wetzel
Mrs. Alfred S. Wilsey, Chairman
Alfred S. Wilsey

On motion, duly seconded and carried unanimously, the following Trustees were excused:

George McNear Bowles
Mrs. Ransom S. Cook
David A. Coulter
Mrs. Richard Goodyear
Stephen L. Johnson
George M. Marcus
Alexander R. Mehran
Michael W. Michelson
Kenneth Rainin
Steven MacGregor Read
Waldemar Rojas
John N. Rosekrans, Jr.
Marshall I. Wais, Sr.
Frank Montgomery Woods

The following ex-officio Trustees were unable to be present:

Mayor Willie L. Brown, Jr.
Vincent J. Rovetti, President, Recreation and Park Commission

Other Trustees in attendance were:

Mrs. Gunther R. Detert
Princess Ranieri di San Faustino
Keith G. Eickman
George Hopper Fitch
William Fries II
Katharine Hanrahan
Mrs. Edward T. Harrison

Roll Call (continued)

George D. Hart
Mrs. Jerrold L. Kingsley
Mrs. Leonard E. Kingsley
Mrs. Lewis K. Land
Mrs. William B. MacColl, Jr.
Jay D. McEvoy
Mrs. James K. McWilliams
Mrs. J. Alec Merriam
Florence Sue Wong

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

President Goss presided; Mrs. Gough acted as Secretary.

Report of the Chairman - Mrs. Alfred S. Wilsey

A. Fund-Raising Potential Presentation - Charles W. Sizemore, Marts & Lundy, Inc.

Mrs. Wilsey introduced Charles W. Sizemore or Marts & Lundy, Inc., with apologies for delaying his presentation, "Assessing Fund Raising Potential," until this portion of the agenda. Mr. Sizemore reviewed recent Development Department highlights at the Fine Arts Museums, noting the foundation for a strong development program has been established. The attached material was distributed, and Mr. Sizemore proceeded to discuss the ways in which the Board can prepare for a $46-60 million campaign for a new de Young. He further identified what will be involved in enhancing a culture of philanthropy at the Museums. To achieve this goal, Mr. Sizemore will work closely with the Chairman, President, the Director of Museums and the development staff in the coming year.

B. Report on the Fund-Raising Campaign for a New de Young Museum and Resolution to Establish a Fund-Raising Goal

Mrs. Wilsey presented the following resolution:

RESOLVED, That the Campaign for a New de Young Museum is charged with recommending to the Board of Trustees a private fund-raising goal for a new de Young Museum and the plan whereby that goal will be achieved.

B. Report on the Fund Raising Campaign for a New de Young Museum and Resolution to Establish a Fund-Raising Goal (continued)

On motion, duly seconded, and carried unanimously, the foregoing resolution was adopted as **Board Resolution 182.** Mrs. Wilsey then acknowledged a recent $500,000 gift from the McBean family. The Board of Trustees recognized the generous support of the McBean family with a round of applause.

Report of the President - Richard W. Goss II

A. Approval of the Minutes of the December 5, 1996 Executive Committee Meeting

The minutes of the December 5, 1996 meeting of the Executive Committee, having been mailed in advance to all Trustees, were approved unanimously.

B. Report on Special Year End Gift Appeal

President Goss expressed sincere appreciation to those Trustees who responded so generously to the special year end appeal.

Report of the Chief Executive Officer - Harry S. Parker III

A. Authority to Transfer Stock and Resolution

Mr. Parker presented the following resolution, which was unanimously adopted as **Board Resolution 183.**

> RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.
>
> Authorized Individuals:
> Harry S. Parker III
> Stephen E. Dykes, Treasurer
> Barbara Boucke, Deputy Director for Development
> Robert M. Cullison, Controller

B. Authorization to Open Stock Brokerage Account at EVEREN Securities, Inc. and Resolution

Mr. Parker presented the following resolution, which was unanimously adopted as **Board Resolution 184.**

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Treasurer and Controller of the Corporation to open an account in the name of the Corporation at the stock brokerage firm of EVEREN Securities, Inc., for the sole purpose of receiving and selling gifted shares of stock to this Corporation; and be it

FURTHER RESOLVED, That this account remains in full force until rescinded or modified by this Board.

C. Covering Transfer of Securities at EVEREN Securities, Inc. and Resolution

Mr. Parker presented the following resolution, which was unanimously adopted as **Board Resolution 185.**

RESOLVED, That any one of the following officers and employees of the Corporation of The Fine Arts Museums, to wit:

Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

and he/she is authorized to sell, assign, transfer or dispose of any stocks, bonds, or other securities now or hereafter owned or held by the Corporation at EVEREN Securities, Inc.; and be it

FURTHER RESOLVED, That any Transfer Agent, Registrar or issuer of securities to whom a copy of this resolution shall be delivered may rely upon this resolution until such time as written notice of any change, amendment or cancellation thereof shall have been received by such Transfer Agent, Registrar or issuer of securities.

D. Report on FY 1996-97 COFAM Operating Budget

Mr. Parker requested Steve Dykes, Deputy Director for Administration and Finance, to present the Operating Budget Report for the period ending November 30, 1996. For the five months ended November 30, 1996, the cumulative operating budget bottom line was $273,463, which was $269,378 better than budget due to *Fabergé* July

D. Report on FY 1996-97 COFAM Operating Budget (continued)

profit, gains in facility rental income, and other expenses not incurred as soon as expected. However, after an unbudgeted $170,000 COFAM donation to the Campaign for a New de Young is taken into account, the bottom line shrinks to $103,463.

Support was ahead of budget by $199,947 due to annual contributions and the use of exhibition specified funds earlier than expected. Revenues were $150,505 more than budgeted with gains in *Fabergé* store sales and ticket revenue, plus higher than projected rental income and other fees. However, admissions income, membership dues, and concession fees all continued to trail budget. November personnel costs were higher than the original budget but in line with the November 6, 1996 rolling forecast. Other expenses were below budget for the first five months of the fiscal year. The COFAM reserve stood at $1,299,648 (compared to $1,316,153 a month ago). As discussed at the December 5, 1996 Executive Committee meeting, efforts are underway to restore the minimum $2 million level set by Board policy.

To bring the operating budget plan back to balance, the Executive Committee on December 5, 1996 further approved raising the Annual Contributions goal by $170,000 to $2,270,000. In addition, management was charged to complete the job by formulating a $146,644 package of revenue initiatives and cost savings. This package is currently being put together as part of the mid-year budget review process.

E. Status Report - Museum Society Wind Up and Dissolution

Mr. Parker reported that at its final meeting on December 5, 1996, the Board of Directors of The Museum Society took action to officially dissolve the corporation since the FAM and Asian are now running their own member programs.

Report of the Audit Committee - Harry H. Wetzel, Chair

At its meeting on December 4, 1996, the Audit Committee reviewed the draft Combined Financial Statements for the year ending June 30, 1996 prepared by Coopers & Lybrand. Trustee Wetzel introduced Mr. William Ritchie of Coopers & Lybrand, who offered some brief comments. Mr. Ritchie reported that an audit of the Museums' financial statements was successfully conducted and resulted in an unqualified audit report. Several points were highlighted. In fiscal 1996, the Museums' unrestricted operating net assets increased by a surplus of $141,427. Effective July 1, 1996, the Museums adopted some significant new accounting standards for investments and contributions required of non-profit organizations.

On motion, duly seconded and carried unanimously, the following resolution was adopted as **Board Resolution 186:**

WHEREAS, Coopers & Lybrand submitted to the Corporation of The Fine Arts Museums (COFAM) Audit Committee a draft Combined Financial

Report of the Audit Committee - Harry H. Wetzel, Chair (continued)

Statement for the year ended June 30, 1996, including COFAM, the Fine Arts Museums Foundation, and the Fine Arts Museums of San Francisco as a department of the City and County of San Francisco; and

WHEREAS, on December 4, 1996, the COFAM Audit Committee reviewed these financial statements and recommended that the COFAM Board of Trustees accept them; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums, upon the recommendation of the COFAM Audit Committee does hereby accept the Coopers & Lybrand Combined Financial Statements of the Fine Arts Museums of San Francisco for the year ending June 30, 1996.

Report of the Annual Support Committee - Wm. Laney Thornton, Chair and Vice President for Annual Support

Trustee Thornton reported that $1,287,521 has been raised during the first six months of this fiscal year, which is $235,000 ahead of budget due to accelerated giving and increased year-end giving levels. The Associates Program also exceeds budget projections by $245,000. The Patrons Group is holding an "Art and Technology" evening at the Legion on January 22, 1997. There are now 425 Friends, and the National Council totals 65 active members. The special year-end appeal resulted in approximately $20,000 in increased giving.

Report of The Fine Arts Museums Foundation - Charles Crocker, President

Trustee Crocker presented the Foundation's Endowment Fund Report. He stated that at the close of business on January 15, 1997, the Endowment Fund portfolio was valued at an all time high of $51,031,124. It was invested 56.97% in equities, 4.61% in international equities, 33.19% in fixed income, 3.26% in the RCM Small Cap Fund, and 1.97% in cash and cash equivalents. The portfolio has been managed in balanced accounts by RCM Capital Management and Brinker Capital. The Investment Committee has decided that Brinker Capital, a Philadelphia based money management firm, has been under performing and will be replaced. The funds managed by Brinker have been moved on an interim basis to RCM while the search for investment managers continues.

Adjournment

There being no further business, Chairman Wilsey adjourned the meeting at 4:45 p.m..

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

PRESENTATION
TO
FINE ARTS MUSEUMS' BOARD OF TRUSTEES

CHARLES W. SIZEMORE
MARTS & LUNDY, INC.
JANUARY 16, 1997

RECENT DEVELOPMENT HIGHLIGHTS AT FAM

- Increased annual giving and memberships
- 20 gifts and pledges of $1 million or more over the last several years
- Over $28 million raised in the silent phase of the new de Young campaign
- Not a mature constituency or development program
- Room for growth in all facets of the development program
- Large constituency for a "small market" city
- Seven year bull market
- Increased awareness about philanthropy

FIVE YEAR UNRESTRICTED ANNUAL GIVING and MEMBERSHIP TOTALS

	1991-92	1992-93	1993-94	1994-95	1995-96
Unrestricted Annual Giving	$1,681,342	$1,621,048	$1,489,251	$1,623,636	$1,879,308
Memberships	$821,000	$588,000	$514,000	$651,000	$1,460,000

- The unrestricted annual giving goal for 1996-97 is $2,270,000, a 21% increase over 1995-96.

- Through December 31, 1996, FAM had raised approximately $1,385,000. Thus, with 50% of the year elapsed, 61% of the goal has been raised.

HOW DOES FAM RAMP-UP FOR A $40-$60 MILLION CAMPAIGN?

- Learn more about your constituency and its capability for giving
- Increase the development staff and begin to cultivate and solicit untapped corporate, foundation, and individual prospects
- Development staff and Museums' professional staff must form a partnership in cultivating new prospects and stewarding existing donors—especially at the major-gift level
- Turn the Board into a fund-raising powerhouse
- Communicate your aspirations and goals to your constituency—in one-on-one meetings, small group sessions, and publications
- Work to improve the development effort at all levels, from annual giving to major gifts, as well as planned giving and corporate and foundation giving

RAISE THE BAR—THINK LARGER THAN YOU HAVE EVER THOUGHT BEFORE!

WHAT WILL IT TAKE TO GET THERE?

ENHANCING A CULTURE OF PHILANTHROPY AT FAM

- Reorganize existing development and membership staffs to provide for annual operating and major gift support—consider hiring one extra major gift fund-raiser for the campaign period

- Involve more members of the Board in fund raising

- Identify and engage a broader volunteer cadre than currently exists

- Increase dramatically the amount of time spent on development by the Museums' director and professional staff

- Organize and execute a vibrant program of cultivating new donors and stewarding the gifts of existing donors

- Communicate openly and frequently with your constituency, especially those who are major gift prospects

- Use your resources wisely—give your best donor prospects an insider's view of the Museums' operations and share with them your vision, goals, and capital plans—Ask for and heed their advice and counsel—Encourage their participation in the Museums' future

FINE ARTS MUSEUMS
TABLE OF GIFTS
$40 MILLION CAMPAIGN

Gift Level	# Donors Needed	Totaling	Cum. Total	# Prospects Needed
$10,000,000	1	$10,000,000	$10,000,000	3-4
$5,000,000	2	$10,000,000	$20,000,000	6-8
$1,000,000	5	$5,000,000	$25,000,000	15-20
$500,000	10	$5,000,000	$30,000,000	30-40
$250,000	15	$3,750,000	$33,750,000	45-60
$100,000	20	$2,000,000	$35,750,000	60-80
<$100,000	many	$4,250,000	$40,000,000	--
Total	53	$40,000,000	$40,000,000	159-212

Marts & Lundy, Inc. 1/12/97

FINE ARTS MUSEUMS
TABLE OF GIFTS
$60 MILLION CAMPAIGN

Gift Level	# Donors Needed	Totaling	Cum. Total	# Prospects Needed
$10,000,000	1	$10,000,000	$10,000,000	3-4
$5,000,000	4	$20,000,000	$30,000,000	12-16
$1,000,000	8	$8,000,000	$38,000,000	24-32
$500,000	12	$6,000,000	$44,000,000	36-48
$250,000	20	$5,000,000	$49,000,000	60-80
$100,000	50	$5,000,000	$54,000,000	150-200
<$100,000	many	$6,000,000	$60,000,000	--
Total	95	$60,000,000	$60,000,000	303-404

Marts & Lundy, Inc. 1/12/97

FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

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1/10/97

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees
Annual Meeting

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M. H. de Young Memorial Museum, Gallery 23
Golden Gate Park
San Francisco, California
Thursday, April 10, 1997, 4:00 p.m.*

AGENDA

Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats and
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to a meeting.

Minutes of the meeting will be made in alternative formats upon request.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The MUNI's wheelchair-accessible No. 44 line (south bound) stops in front of the de Young Museum. The No. 44 line (north bound) stops in front of the Academy of Sciences.

***Or such earlier time as the annual meeting of the Board of Trustees of the Fine Arts Museums of San Francisco ends, but in no event before 3:30 p.m.**

Administrative Offices
233 Post Street, San Francisco, CA 94108-5003
tel: 415.750.3600 fax: 415.750.7636

For access to the de Young Museum by BART from the East Bay, get off at the New Montgomery Station. Take MUNI's No. 38 line (Geary) to 6th Avenue and transfer to the No. 44 line (O'Shaughnessy).

For access to the de Young Museum by BART from Daly City, get off at the Civic Center Station. Take MUNI's No. 71 line (outbound) and transfer at 6th Avenue at Lincoln Way to the No. 44 line (O'Shaughnessy).

There is accessible parking spaces (disabled–designated) available at the following locations:

a) The de Young Museum parking lot (driveway access at 10th Avenue and Kennedy Drive).

b) The Music Concourse area, east end (access from Tea Garden Drive).

Accessible seating for persons with disabilities (including those using wheelchairs) will be available.

For Telecommunication Device for the Deaf (TDD), the Museums use the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554–6075.

ORDER OF BUSINESS

I. Calling of the Meeting to Order - Mrs. Alfred S. Wilsey, Chairman

II. Calling of the Roll

Trustees

Alvin H. Baum, Jr.
Alix Phillips Becker
Shirley Breyer Black
George McNear Bowles
Mrs. Philip E. Bowles III
Robert J. Bransten, Vice President/Collections
Mrs. Barbara B. Carleton
Mrs. Ransom S. Cook
Charles Crocker
Belva Davis
Mrs. Ray Dolby
Mrs. John V. Erickson
Richard P. Essey
Richard H. Finn
Morgan Flagg
Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II, President
Douglas W. Grigg
Mrs. Nancy Hamon
David R. Hoyer
Beverly James
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Diane B. Lloyd-Butler
George M. Marcus
Mrs. Peter McBean
Nion McEvoy
J. Alec Merriam
Michael W. Michelson

II. Calling of the Roll (continued)

Robert A. Mills
Walter S. Newman
Michael E. O'Neill
Mrs. Julian Peabody
Steven MacGregor Read
George R. Roberts
Waldemar Rojas
John N. Rosekrans, Jr.
Gail P. Seneca
Katharine Doyle Spann
William E. Steen, Vice President/Facilities
Burl A. Toler, Sr.
Sidney R. Unobskey
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, Chairman
Alfred S. Wilsey
Frank Montgomery Woods

Ex-Officio Trustee Members

Mayor Willie L. Brown, Jr.
Eugene Friend, President, Recreation and Park Commission

Absences to be Excused:

J. Burgess Jamieson
William A. Stimson, Vice President/Finance

Non-Voting Officers
Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

There will be an opportunity for public testimony before action is taken on each agenda item.

III. Report of the Chairman - Mrs. Alfred S. Wilsey

IV. Report of the President - Richard W. Goss II

A. Approval of the March 13, 1997 Minutes of the Executive Committee of the Board of Trustees (See Appendix A)

Approved ___

B. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on FY 1996-97 COFAM Operating Budget (See Appendix B)

B. Authority to Transfer Stock

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

Approved ___

C. Other Informational Items

VI. Report of the Nominating Committee - Frank Montgomery Woods, Chair

A. Election of Officers (One Year Term)

Mrs. Alfred S. Wilsey, Chairman
Richard W. Goss II, President
Robert J. Bransten, Vice President/Collections
Mrs. Ray Dolby, Vice President/Annual Support
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
David M. Jamison, Vice President/Audience Development
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Judy Gough, Secretary

Elected ___

B. Election to COFAM Executive Committee (One Year Term)

Charles Crocker

Elected ___

C. Fixing Number of Trustees Positions

WHEREAS, On June 14, 1990, the Corporation of The Fine Arts Museums By-Laws were amended to provide for a variable number of Trustees; and

WHEREAS, The amendment stated that the authorized number of Trustees shall not be less than thirty-eight and not more than seventy-five, the exact authoriuzed number to be set by the Board from time to time; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby set the number of Trustees at fifty-five until such number is changed by this Board.

Approved ___

VII. Report of the Annual Support Committee - Wm. Laney Thornton, Former Chair and Vice President

VIII. Reports of Supporting Organizations

A. Achenbach Graphic Arts Council - Nancy Constine, Chair*

B. American Art Study Center Advisory Council - Nancy Boas, Chair*

C. Artist Book Council -Emily Marcus, Chair*

D. The Docent Council - Mary Pat Cress, Chair Elect*

E. European Decorative Arts Council - Adolphus Andrews, Jr. and Mrs. Robert A. Magowan, Co-chairs

F. Fine Arts Museums Auxiliary - Mrs. Thomas M. Lacey, Chair*

1. Bouquets to Art - Mrs. James Forbes and Mrs. Peter O'Hara, Co-chairs

G. Flower Committee - Peggy Blatchford, Chair

H. Junior Arts Council - Reese Willis, Chair*

I. National Council - Mrs. Harry H. Wetzel, Vice Chair*

J. San Francisco Ceramic Circle - Colin Knight, President*

K. Textile Arts Council - Peggy Gordon, Chair*

L. Twentieth Century Council - Lindsay Joost and Michael Wilsey, Co-chairs

M. Volunteer Council - Josephine Staub, Chair Elect, Steering Committee*

IX. Adjournment - Mrs. Alfred S. Wilsey, Chairman

abt974

*Will present verbal report

Note: The Annual Meeting of The Fine Arts Museums Foundation will immediately follow.

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees
Annual Meeting
April 10, 1997

DOCUMENTS DEPT.
MAY 05 1997
SAN FRANCISCO
PUBLIC LIBRARY

Call to Order

A meeting of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, April 10, 1997, in Gallery 23 of the M. H. de Young Memorial Museum, Golden Gate Park, San Francisco. A quorum being present, the meeting was called to order at 4:51 p.m. by Mrs. Alfred S. Wilsey, Chairman.

Roll Call

The following Trustees were present:

Alvin H. Baum, Jr.
Alix Phillips Becker
Shirley Breyer Black
George McNear Bowles
Mrs. Philip E. Bowles III
Robert J. Bransten, Vice President/Collections
Mrs. Barbara B. Carleton
Mrs. Ransom S. Cook
Charles Crocker
Belva Davis
Mrs. Ray Dolby
Mrs. John V. Erickson
Richard P. Essey
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II, President
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Diane B. Lloyd-Butler
George M. Marcus
Mrs. Peter McBean

II. Calling of the Roll (continued)

Nion McEvoy
J. Alec Merriam
Robert A. Mills
Walter S. Newman
Michael E. O'Neill
Mrs. Julian Peabody
Steven MacGregor Read
Gail P. Seneca
Katharine Doyle Spann
William E. Steen, Vice President/Facilities
Burl A. Toler, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, Chairman
Frank Montgomery Woods

Ex-Officio Trustee Members

Mayor Willie L. Brown, Jr.
Eugene Friend, President, Recreation and Park Commission

Absences to be Excused:

David A. Coulter
Richard H. Finn
Morgan Flagg
Mrs. Lynn C. Fritz
Douglas W. Grigg
Mrs. Nancy Hamon
Alexander R. Mehran
Michael W. Michelson
Kenneth Rainin
George R. Roberts
Waldemar Rojas
John N. Rosekrans, Jr.
William A. Stimson, Vice President/Finance
Sidney R. Unobskey
Marshall I. Wais, Sr.
Alfred S. Wilsey

Other Trustees in attendance were:

Ruth Asawa
Keith G. Eickman
William Fries II
Katharine Hanrahan
Reubeum W. Hills, III
Mrs. Jerrold L. Kingsley
Mrs. Leonard E. Kingsley
Mrs. W. Gorham Knowles
Mrs. William B. MacColl, Jr.
Mrs. Robert A. Magowan
Mrs. James K. McWilliams
Mrs. J. Alec Merriam
Mrs. W. Robert Phillips
Wm. Laney Thornton
Harry H. Wetzel
Florence Sue Wong

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

President Goss presided; Mrs. Gough acted as Secretary.

Report of the Chairman - Mrs. Alfred S. Wilsey

There was no business to report.

Report of the President - Richard W. Goss II

A. Approval of the Minutes of the March 13, 1997 Executive Committee Meeting of the Board of Trustees

The minutes of the March 13, 1997 meeting of the Executive Committee, having been mailed in advance to all Trustees, were approved unanimously.

Report of the Chief Executive Officer - Harry S. Parker III

A. Report of FY 1996-97 COFAM Operating Budget as of February 28, 1997

Mr. Parker presented the Operating Budget Report for the period ending February 28, 1997. The cumulative operating budget bottom line was $1,208,742. After the unbudgeted $172,000 COFAM donation to the Campaign for a New de Young is taken into account, the bottom line is reduced to $1,036,742.

February was a good month, adding $205,000 to the January cumulative surplus. Support ran $726,545 ahead of budget, thanks to accelerated annual cntributions, use of exhibit grants and gifts earlier than expected to cover expenses, and the last contribution from The Museum Society. Revenues were $572,481 more than budgeted due to *Fabergé* summer gains, followed by steady Legion store sales and general admissions. Facility rental income continued to surpass budget. Other fees ballooned in February because of *Fabergé* catalogue sales to other museums on the show's circuit. Personnel costs continued to be higher than the original budget but were in line with the rolling forecast. Other expenses were less than budget projections.

The COFAM Reserve stood at $2,597,333 compared to $2,240,421 in the previous month. However, because the March through early May exhibit program may attract only modest attendance, revenues are expected to fall off, triggering a decline in the reserve until the *Peru* show opens in mid-May.

A new rolling forecast is included in this budget report. It has been reviewed in detail by the Budget Committee. The forecast projects a modest year end surplus. In addition to cost control, key fourth quarter (April-June) income factors essential to achieve a surplus to strengthen the reserve include the successful completion of the annual contributions drive, a popular *Peru* exhibit, and good membership renewal rates from the large group attracted over the past two years by *Monet* in 1995 and *Fabergé* in 1996.

B. Authority to Transfer Stock and Resolution

Mr. Parker presented the following resolution, which was unanimously adopted as **Board Resolution 188.**

> RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate

B. Authority to Transfer Stock and Resolution (continued)

the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

Report of the Nominating Committee - Frank Montgomery Woods, Chair

A. Election of Officers

The nominees for election to office were:

Mrs. Alfred S. Wilsey, Chairman
Richard W. Goss II, President
Robert J. Bransten, Vice President/Collections
Mrs. Ray Dolby, Vice President/Annual Support
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
David M. Jamison, Vice President/Audience Development
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

On motion, duly seconded, and unanimously carried, the nominees were elected to one year terms and until their successors are elected.

B. Election to COFAM Executive Committee

The nominee for election to the COFAM Executive Committee was:

Charles Crocker

On motion, duly seconded, and unanimously carried, the nominee was elected to a one year term and until his successor is elected.

C. Fixing Number of Trustees Positions

Trustee Woods presented the following resolution, which was unanimously adopted as **Board Resolution Number 189:**

> WHEREAS, On June 14, 1990, the Corporation of The Fine Arts Museums By-laws were amended to provide for a variable number of Trustees; and
>
> WHEREAS, The amendment stated that the authorized number of Trustees shall not be less than thirty-eight and not more than seventy-five, the exact authorized number to be set by the Board from time to time; now, therefore, be it
>
> RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby set the number of Trustees at fifty-five until such number is changed by this Board.

Report of the Annual Support Committee - Wm. Laney Thornton, Former Chair and Vice President

Trustee Thornton reported that annual contributions are ahead of budget with approximately 82% of the revised annual goal of $2,270,000 reached as of the end of February. He offered several comments as he rotates off the Board and concludes his tenure as Vice President of Annual Support. Ten years ago the Museums were heavily dependent on blockbuster shows to support a larger overhead and counter decreasing public funding. A transition has been made to an organization with a lean overhead, more predictable and even revenue streams, less dependence on blockbuster exhibitions, and significantly increased private financial support.

Charts were distributed, which documented annual fund increases in levels of giving and numbers of major individual donors over the past five years. The Associates Program (625 donors of $5,000 or more annually) has remained relatively steady in terms of number of donors, but has increased by over $300,000 from fiscal 1992-93 to 1996-97. The number of members in the Friends Program ($1,000 to $2,499 annually) has increased from 156 to 425 over this same period of time. The efforts of Mrs. Philip E. Bowles III and Mrs. Ransom Cook were acknowledged for these results. Trustee Thornton concluded his remarks by also recognizing the fund-raising leadership and direction provided by Chairman Wilsey, President Goss and Director Parker.

President Goss requested each Trustee to complete and return the handout entitled, "Notable Omissions," in an effort to identify donors and thereby assure increased giving to the Museums.

Reports of Supporting Organizations

As is customary at the annual meeting, representatives of the supporting organizations of the Fine Arts Museums of San Francisco presented verbal and/or written reports. Written reports submitted to the Board of Trustees are attached as Appendix I for the record. The supporting organizations are noted as follows:

A. Achenbach Graphic Arts Council - Nancy Constine, Chair*

B. American Art Study Center Advisory Council - Nancy Boas, Chair*

C. Artist Book Council -Emily Marcus, Chair*

D. The Docent Council - Mary Pat Cress, Chair Elect*

E. European Decorative Arts Council - Adolphus Andrews, Jr. and Mrs. Robert A. Magowan, Co-chairs

F. Fine Arts Museums Auxiliary - Mrs. Thomas M. Lacey, Chair*

1. Bouquets to Art - Mrs. James Forbes and Mrs. Peter O'Hara, Co-chairs

G. Flower Committee - Peggy Blatchford, Chair

H. Junior Arts Council - Reese Willis, Chair*

I. National Council - Mrs. Harry H. Wetzel, Vice Chair*

J. San Francisco Ceramic Circle - Colin Knight, President*

K. Textile Arts Council - Peggy Gordon, Chair*

L. Twentieth Century Council - Lindsay Joost and Michael Wilsey, Co-chairs

M. Volunteer Council - Josephine Staub, Chair Elect, Steering Committee*

*Presented a verbal report

Adjournment - Mrs. Alfred S. Wilsey, Chairman

There being no further business, Chairman Wilsey adjourned the annual meeting at 5:30 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

mbt974rec

Note: Immediately following this meeting, the annual member meeting of The Fine Arts Museums Foundation was held.

Appendix I

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees
April 10, 1997

Reports of Supporting Organizations

Achenbach Graphic Arts Council

American Art Study Center Advisory Committee

Artist Book Council

Docent Council

European Decorative Arts Council

Fine Arts Museums Auxiliary

Flower Committee

Junior Arts Council

National Council

San Francisco Ceramic Circle Council

Textile Arts Council

Twentieth Century Council

Volunteer Council Steering Committee

AMERICAN ART
STUDY CENTER

ADVISORS
Marjorie Dakin Arkelian
Carole Austin
Bill Berkson
Prof. Rodger C. Birt
Nancy Boas
Mrs. Philip E. Bowles
Elsa Cameron
Whitney Chadwick
Prof. T. J. Clark
Prof. Wanda Corn
Dr. Katherine B. Crum
Prof. John Dillenberger
Janice T. Driesbach
Hank Dunlop
Hilarie Faberman
Paula Freedman
Blair Fuller
Gary Garrels
Peter H. Gordon
Carl Grimm
Alfred C. Harrison, Jr.
Katherine C. Holland
Mark Johnson
Robert Flynn Johnson
Harvey L. Jones
Dr. Paul J. Karlstrom
Gary F. Kurutz
Susan Landauer
John R. Lane
Lizzetta LeFalle-Collins
Constance Lewallen
Philip E. Linhares
Suzanne W. Lombardi
Prof. Margaretta M. Lovell
Wayne Mathes
Signe Mayfield
Michael McCone
Paul C. Mills
Edgar Morse
Dr. Steven A. Nash
Alex Nemerov
Dr. Carol M. Osborne
Renny Pritikin
George Rivera
Prof. E. Bruce Robertson
Tere Romo
Mrs. Benjamin H. Rose III
Dr. Leslie Ross
Moira Roth
Norma H. Schlesinger
Ellen Halteman Schwartz
Prof. Peter Selz
Nancy Servis
Gary Smith
Dr. Kevin Starr
Diana Strazdes
James Steward
Karen Tsujimoto
Prof. Anne M. Wagner
Ian McKibbin White

1996-1997 Report
Nancy Boas, Chair

The Advisory Council of the American Art Study Center brings together scholars, writers, curators, and professors to exchange ideas and provides a forum for sharing work in process. The sixty-member Advisory Council is the only important forum in the region for colleagues to meet and discuss projects of mutual interest.

Last year more than 200 researchers used the Study Center--professors of art, artists, undergraduate and graduate students, dealers, curators, and museum visitors, representing universities and museums throughout the Bay Area and as far away as Canada and Europe. The Study Center provides material that is inaccessible or unavailable in other libraries or research centers--including the unrestricted microfilm collections of the Archives of American Art of the Smithsonian Institution, a collection of rare 19th century American art periodicals on microfilm, and the design archive of Shreve and Company, San Francisco silversmiths.

The Council's two meetings this year helped make members aware of the Study Center's resources and informed them of the Fine Arts Museums' exhibitions and plans. Members' interest in the Gottardo Piazzoni murals led to an informational meeting in June with members of the Committee for the New Asian Art Museum. Subsequently, it was decided that Advisory Council members wishing to participate in the effort to protect the murals would join a group independent of the Museum.

The growth of the American Art Study Center depends upon private support. This year's Peale Family preview party yielded $10,000 through patron contributions and ticket sales and was attended by about 400 people. These funds will enable the Study Center to continue to expand the microfilm and book collections.

April 10, 1997

ACHENBACH GRAPHIC ARTS COUNCIL

1997 BOARD OF TRUSTEES
ANNUAL MEETING REPORT

The 1996/7 fiscal year has been to date an outstanding one for the Achenbach Graphic Arts Council. We enjoyed a big jump in membership because of the reopening of the Legion of Honor. This year we have been able to maintain those excellent figures. The Council has over 500 members. As a result of the special programs we offer our upper category members, over 30% belong in the $125, $250 and $500 groups, which comprises 70% of our income.

This year the AGAC is providing funding for a one year curatorial internship. The intern, Giovanna Bertazzoni, has been working in the Achenbach since September and has done excellent work with cataloguing and reorganizing the Italian drawings in the Achenbach Collection. She is also working closely with Robert Johnson in organizing the Nathan Oliveira monotype exhibition and catalogue. The exhibition will open June 14 and the catalogue will include an essay by Ms. Bertazzoni.

The AGAC is also delighted to support the Crown Point Press exhibition catalogue with a $15,000 grant towards the publication. The exhibition and catalogue are co-curated and co-authored by Karin Breuer, Steve Nash and Emily Fine, of the National Gallery, Washington DC.

The AGAC has scheduled 23 programs for our membership this year. We are also pleased to sponsor two special events which are open to the public. On May 10, a forum on Digital Art will be held at the studio of AGAC board member Barbara Galuska-Parsons. The speakers will include Kenneth Baker, *San Francisco Chronicle* art critic, Robert Futernick and Steven Holtzman, author of *Digital Mantras*. On June 14, Eugenia Parry, the curator of the 1968 exhibition of Degas Monotypes at the Fogg Art Museum, will be giving a lecture "The Importance of Ink: Monotype's Grand Tradition" in conjunction with the Nathan Oliveira exhibition. Parry's exhibition on Degas monotypes and the accompanying catalogue influenced many artists including Nathan Oliveira to explore the medium.

Finally, the AGAC provides much needed volunteer staffing of the Achenbach Study Center. AGAC Board member Clara Morrissey has been instrumental in recruiting and scheduling 18 loyal volunteers to staff the Study Center every Saturday and some Sundays from 11 AM -2:30 PM. The volunteers help the public use the Achenbach and other FAM department databases and give out information on the other services available in the Achenbach Study Center. They provide the only instructed public drop-in use of the FAM databases.

Our goal of educating and enriching the public to the vast and important collection of the Achenbach is challenging and most rewarding.

Nancy M Constine

Nancy M. Constine, AGAC Chair

THE FINE ARTS
MUSEUMS OF
SAN FRANCISCO
M.H. de YOUNG
MEMORIAL
MUSEUM
CALIFORNIA
PALACE OF THE
LEGION OF HONOR
During renovation:
233 Post Street, San Francisco, CA 94108
(415) 750-3600

REPORT OF ARTIST BOOK COUNCIL ACTIVITIES

Membership.

The Artist Book Council was formed in 1993. Membership in the Artist Book Council is either by yearly membership fee or by donating an artist book with a minimum value of $750.00. This past year we received twelve $750.00 membership renewals and several important books for the Museum's collection which exceeded the $750.00 minimum donation.

Funds.

With the funds received from membership dues, two major acquisitions were made by Robert Flynn Johnson for the collection: Tales Told of Shem and Shaum by James Joyce, with an etching by Constantin Brancusi; and Le Fin du Monde, Filmée par L'Ange by Fernand Leger.

We currently have a balance of **$8,119.97** in our account for the acquisition of Artists Books.

Possible Donation.

An important private collection of artists books including a number of definitive works by Picasso, Matissse, Miro, etc., may be donated to the Fine Arts Museums of San Francisco. The collection is worth several million dollars and would substantially enhance our collection of artists books. The Collector's interest in donating his collection to the Fine Arts Museums is due to a combination of factors. The Collector was very impressed with the renovation of the Palace of the Legion of Honor, the "Treasures" exhibition which integrated Artists Books with the other works from the Museum's holdings, and the existence of an organization (Artists Book Council) to support the exhibition and acquisition of Artists Books for the Museum's Collection.

Events and Activities.

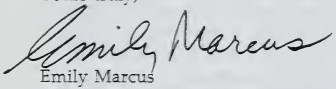
The Artist Book council has quarterly meetings with speakers and exhibits. Our first meeting in 1996 was a discussion between Jeffrey Thomas and Robert Flynn Johnson about illustrated books from 1700 -1945. Our second meeting was held at the Palace of the Legion of Honor with Robert Flynn Johnson discussing 20 unusual artist books in the collection of the Achenbach Foundation for the Graphic Arts.

We celebrated our third Annual Dinner at the Palace of the Legion of Honor in December which included a display of recently published Artists' Books and recent additions to the Museums' Collection of Artists Books.

The new year was celebrated with a tour by Robert Flynn Johnson of the *Masterpieces from the Pierpont Morgan Library* exhibition with dinner following at the restaurant of the Palace of the Legion of Honor. This exhibition was an extraordinary experience and the Museum's staff should be congratulated for arranging for this exhibition to be shown in San Francisco.

In response to requests, the Artist Book Council will open its meetings to anyone who is interested in fine art books. Usually meetings are held in private homes and are limited to fifty guests. After members of the Artist Book Council have responded and there is room it will be opened to non-members.

Yours truly,



Emily Marcus
Chair, Artist Book Council

Docent Council Report
FAMSF Board of Trustees
April 10, 1997
Cheryl Bancroft, Docent Council Chair

The Docent Council of the FAMSF has again had a rewarding and productive year. From July 1, 1996 through June 30, 1997, Docents will have given over 8000 tours to 80,000 people. From July through March of 1997, Administrative Assistant Renee Baldocchi, booked 310 Special Request tours for 8,825 adults, seniors, and college students. These Special Request tours brought in to the FAMSF $44,235.00, thanks in large part to the popularity of the *Faberge* Exhibition.

Community Speaker Docents presented over 330 slide lectures inside the Museums free of charge as a public service and to community organizations outside the Museums for a nominal fee. CSP Docents regularly bring in over $7000 per year and help promote our Special Exhibitions. School Program Docents give over 1000 tours to 14,000 students every year.

The Docent Council is pleased to announce the expansion of our program offering tours in languages other than English. In addition to the non-English language tours offered at the Legion of Honor, we now offer free, regular public tours in French, Spanish, Italian and German in rotation on Saturdays at the de Young Museum.

This year many Docents telephoned voters, canvassed the neighborhoods, displayed posters, and worked the information tables during the Campaign for the new de Young. On March 5th and April 5th Docents participated as facilitators and tour guides at the Public Process Meetings informing the public about future options for the rebuilding of the de Young Museum.

On May 20th, at our annual meeting and luncheon in Hearst Court, the Docent Council will have the honor of welcoming the twenty nine new AOA Docents who successfully completed a two year Docent training program. With the addition of this new AOA class, we will have 212 Fine Arts Museums Docent volunteers to help support the Museums.

ADOLPHUS ANDREWS, JR.
600 MONTGOMERY STREET, 35TH FLOOR
SAN FRANCISCO, CA 94111

TEL. (415) 981-1750 FAX. (415) 981-3009

RECEIVED
MAR 2 6 1997

March 25, 1997

Dear Richard:

Since I cannot attend the annual meeting on April 10, I trust the following will cover my area of concern:

European Decorative Arts Council

The Council has become increasingly active. On February 19, we sponsored a well-attended lecture in the Florence Gould Theatre by Lady Victoria Leatham, who has been responsible for the superb restoration of Burghley House in Lincolnshire.

On April 27, Deborah Gage , the cousin of Viscount Gage, will lecture on the contents of Firle Place in Sussex, where her family has lived for 500 years.

We plan on at least one more lecture during the year, probably on continental decorative arts, and intend to schedule a visit to a significant private collection in the Spring or early Fall.

Annual membership in the Council was set in January at $250.00. This charge will cover operating costs, and leave a balance which, over time, will be used for an acquisition by the Museums. Our membership is growing.

The Council retains its independence, but its administrative work is being handled by the Museums.

Very sincerely,

Dolph

Mr. Richard W. Goss II
President
Board of Trustees
Fine Arts Museums of San Francisco
233 Post Street
San Francisco, CA 94108-5003

AAJr:sw

Bouquets to Art

March 17th - 21st 1997

Bouquets to Art grossed $348,000.00 for this year
Had the highest Corporate Sponsorship ever.
For the first time all programmes were underwritten.
The Cost of the tent was donated by Michael Hemsley Rentals.
For the first time we introduced a Junior Catergory (35yrs and under)and 110 attended.
For the first time members of the Auxiliary housed all the Speakers, thus eliminating hotel costs.

Attendance at the Preview Party was	1100
Tuesday	3799
Wednesday	3251
Wednesday pm Membership	1210
Thursday	2757
Friday	2649

We had a number of telephone calls suggesting that we open the Museum in the evening to the Public.

The Auxiliary planned two extra fundraisers this year

A Tiffany Lecture and Tea sponsored by Tiffany which netted us $6700.00
And we are having the second fundraiser on April 29th.
This is a lecture slide show given by Cissie Swig titled "American Art in the U.S. embassies throughout the world and How it is Chosen". You are all invited to come. Tickets are $20 each .If we have a full house this will bring another $6,000.

Since the demise of The Museum Society we have appreciated and enjoyed shared help with the Development Department staff in our fund raising activities .

Respectfully submitted,

Margarita Lacey

Margarita Lacey
Auxiliary Chairman

Peggy Blatchford, AIFD
floral designs 205 Timoteo Terrace Mill Valley, CA 94941 (415) 383-1487

Fine Arts Museums of San Francisco
Board of Directors Annual Meeting
Thursday, April 10, 1997

On May 6, 1996, the Flower Committee hostessed "Luncheon at the Legion", a table setting show with guest speaker and lunch. There were twenty one exhibits including ones by Tiffany, Stanlee Gatti, Faberge and best of all by the Flower Committee, itself, which, thanks to Lee Miller featured Alma Spreckels china and flatware. The displays were set in the Porcelain Gallery and the galleries around Rosekrans Court. Pergamon: The Telephos Frieze from the Great Altar was open at the time.

Manisse Newell gave a lecture which was well attended, but not sold out. The luncheon, which featured special table cloths, was catered by the Legion cafe for 210 patrons. More than 30 had to be turned down due to lack of space in the cafe. About $4500 was raised.

At its fall meeting, the committee decided to repeat the show. Scheduled for Tuesday, October 21, 1997 and to be called "Dutch Treat at the de Young", it will take place during the Golden Age of Utrecht exhibit and be set up in the various permanent collection galleries. Luncheon for approximately 300 guests will be served in Hearst Court and again catered by the cafe. We expect to have a raffle and sell Dutch bulbs in conjunction with the show. At this time we have not engaged a speaker.

Committee members continue their faithful service. Cut flowers are arranged weekly at the de Young and flowering plants are maintained at the Legion. During the past year the committee has worked within its budget.

Peggy Blatchford
Chairman, Flower Committee

FINE ARTS MUSEUMS of SAN FRANCISCO

Junior Arts Council
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

April 3, 1997

Board of Trustees
Fine Arts Museums of San Francisco
233 Post Street
San Francisco, CA. 94108

Dear Board of Trustees:

It is my pleasure to be writing to you on behalf of the entire Junior Arts council to provide you with a brief update on our progress. The Junior Arts Council is an energetic group of young professionals supporting the Fine Arts Museums of San Francisco.

During the past four years, we have organized roughly one event per month, including several "large" events which were attended by over 700 people. As a result of the Board's efforts in conjunction with the support of the Museum's staff, our membership has grown by approximately 350% in the last four years to its present record level of 350.

In addition to achieving our objectives of increasing Museum membership and participation amongst the Bay Area's young professional community, we are pleased to report that we have been able to make a net financial contribution to the Museums in each of the past four years.

The Junior Arts Council appreciates your continued support. We look forward to helping promote the Museums in any way we can in the coming years.

Sincerely,

R. Reese Willis
Junior Arts Council Chairman

The Board of the Junior Arts Council

A. Berardi, J. Brooks, M. Engle, A. Gandi, J. Gazzola, E. Gordon, J. Hanford, M. Karwowski, D. Meyers, E. Peeke, J. Torre, E. Walther, R. Willis

FACT SHEET

NATIONAL COUNCIL
of the Fine Arts Museums of San Francisco

* Last meeting was October 23-25, 1996 and included the Nasher Sculpture opening, National Council member Ray Nasher was guest speaker at the meeting. Members also visited the Hunk & Moo Anderson home and collection in Atherton.

* Currently 63 memberships

* Members currently represent 15 states in the U.S.***
Other countries represented include:
France, Peru, England, Italy, Australia, Spain and Bermuda.

* Newest members are: Mr. and Mrs. Herman Sarkowsky (Seattle)
and Adolphus Andrews, Jr. (San Francisco)

* -Ongoing recruitment.
-Members should have a strong interest in the arts and a tie to San Francisco.
-Members asked to contribute a minimum of $1,000 annually

Recommendations welcome.
We are trying to broaden our geographical base.

* Meetings now occur once a year in San Francisco vs. two meetings a year in the past.

* Next meeting is May 14-16, 1997 at the time of the Britain-by-the-Bay Benefit and the opening of the exhibition THE SPIRIT OF ANCIENT PERU, Treasures from the Museo Arqueologico Rafael Larco Herrera. **Mr. Augusto Alvarez-Calderon** of the Larco Family and Director of the Museo Arqueologico in Lima, Peru is a National Council member.

***States represented: No. Carolina (1), Florida (1), Texas (6), Oregon (2), California (25) Minnesota (1), Delaware (1), New York (10), Illinois (1), Virginia (2), Washington, DC (1), Pennsylvania (1), Maine (1), Washington (state) (1), Nebraska (1)

San Francisco Ceramic Circle Highlights

1) **General**

Over the last several years the S.F.C.C. has been experiencing greater difficulty in providing top rate speakers for our programs. This is due to increasing costs of bringing speakers to San Francisco and a dwindling number of members within the S.F.C.C who have significant collections and are able to lecture.

During the past year The S.F.C.C. has taken steps to increase membership and has increased dues to provide the funds necessary to give more flexibility in planning programs.

2) **Membership**

1996 Membership in the S.F.C.C. increased to 217 from 175 in 1995. This is largely due to and active publicity program that has significantly increased the enquiries we receive about our programs and new memberships. Notice of programs appears in Fine Arts, Antiques West, The Antique Journal and the Maine Antiques Digest, the Antique Collector.

3) **Dues**

Dues for 1997 were increased from $25 to $45 for basic membership and to $75 for dual membership. Life membership was increased to $600. As expected we have had fewer renewals for 1997 (currently 178) but revenues are up significantly.

4) **Programs**

A successful 1996 program concluded in November with the American Ceramic Circle Meeting (for which the S.F.C.C. acted as hosts.) and this was followed in January with our own Seminar which feature Ulrich Pietsch from Dresden and Errol Manners and John Whitehead from London.

The S.F.C.C. also operates a ceramics resource room including a reference library adjacent to the ceramics gallery at the Legion of Honor. This is available to the public.

5) **Facilities**

The new sound system tried in the Gould Theater has greatly improved speaker audibility and a brighter slide projector is being investigated. It is a real pleasure to have the ceramics collection on display again.

The · TEXTILE · ARTS · COUNCIL

M. H. de Young Memorial Museum
Golden Gate Park
San Francisco, California 94118
(415) 750-3627 Fax (415) 750-7692

REPORT TO THE BOARD OF TRUSTEES, FAMSF

April 10, 1997

The Textile Arts Council (TAC) supports the Textile Department of the FAMSF, and seeks to promote and broaden an appreciation for the textile arts in the Bay Area. TAC does this through a monthly series of textile programs, exhibition walk-throughs and gallery visits. Our membership of approximately 380 receives a ten-page quarterly newsletter and calendar listing museum programs as well as textile events at other venues. Last January, a new monthly video series reflecting a wide variety of textile interests from fashion to the complexities of weaving techniques was initiated on first Wednesday evenings at the de Young Museum.

The market value of the TAC Endowment Fund has risen to $306,000. Interest from this fund is used for acquisitions and other needs of the Textile Department. This year TAC hopes once again to sponsor a graduate student for a summer internship in the Textile Conservation Lab as well as to purchase an object for the collection. Last year, we mounted a major fundraising effort in order to purchase a rare pre-19th century pile carpet for the collection in honor of retired curator Cathryn Cootner. The carpet, which has been called "the most important Turkmen rug in the United States," is currently on view in Gallery 30 at the de Young. TAC is delighted to have been able to make this wonderful addition to the museums' already outstanding collection of rare carpets and kilims.

To met the diverse interests of our membership, this year's programs have included a view of post-war French fashion and the Theatre de la Mode, Northwestern Basketry, and a lecture featuring the renowned contemporary Japanese fabric designer, Junichi Arai. TAC co-sponsored a symposium featuring several prominent teachers and textile artists including Katherine Westphal, an outstanding Bay Area textile artist considered by many a national treasure. This year began with a TAC reception celebrating *If The Shoe Fits,* the current costume exhibition curated by Melissa Leventon, which has been an overwhelming success. Several of our members are currently lecturing on the show as well as providing docent tours.

In April, TAC will host a lecture and shoe workshop by Gaza Bowen, an artist represented in the exhibition. TAC will continue its film festival inaugurated last year, with a showing in May of the exciting African film, *Guimba: A Tyrant and His Time* . And in September, in conjunction with the upcoming exhibition, *To Honor the Ancestors: Life and Cloth in the Andes,* scholar Ed Franquemont whose work has been profiled on PBS's *Nova* series, will conduct a workshop on Andean weaving techniques. Many other interesting and varied programs have been planned for the coming year in our effort to serve Bay Area costume and textile aficionados, artists, and collectors.

Peggy Gordon, Chair, TAC

20TH-CENTURY ART COUNCIL REPORT

The 20th-Century Art Council was formed in late-1994 as a way to encourage and support the Museums' expansion of its European and American holdings into the 20th-century. The council's main purpose is to bring together collectors, patrons, and individuals who share an interest in the diverse traditions of modern art, from early European to contemporary Bay Area, and to closely integrate the Council with programs in 20th-century art at our Museums through informational and educational activities. Annual dues cover expenses, such as outings to artists' studios and galleries, visits to private collectors' homes, receptions, etc., as well as yield a small fund for a 20th-century art acquisition. To date, the council has provided funding for the purchase of the painting by Jay DeFeo entitled *Mountain No. 2* , and partial funding for George Herms's early assemblage *Meat Market*.

The council's most recent event featured a lecture and slide presentation of his work by Spanish sculptor Eduardo Chillida. We are planning several other events for this year including a Saturday tour to art collections in the Napa Valley and a workshop at Crown Point Press for a demonstration of printmaking techniques.

VOLUNTEER COUNCIL REPORT
APRIL 1997

The 558 Volunteers of the Fine Arts Museums of San Francisco perform a variety of functions in support of the museums. They greet visitors and respond to questions at the Information Desk, sell museum memberships, click in visitors to special exhibits, assist in Acoustiguide sales, walk the galleries to provide an informational outreach to visitors, collect and distribute coats and umbrellas through Parcel Check areas, support bond issues when applicable, as well as serve as the museum switchboard operators, work in the Museum stores and the library, and help in many other capacities. Last year the Volunteers provided 47,233 hours to the museums.

The Volunteers come to our museums from a variety of locations. One volunteers drives in from Fresno, many take buses and Bart to arrive from from destinations as far as Fremont. The Volunteers (as of 2/12/97) are grouped as follows:

- 367 live in San Francisco
- 68 live in the North Bay
- 62 live in the East Bay
- 60 live in the South Bay
- 1 lives in Fresno

The dedication of the Volunteers to the FAMSF clearly signals their support to the museums and their programs for the public.

Margaret Hauben
Chair, Volunteer Council
Steering Committee

FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

40.25

2/97

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees

California Palace of the Legion of Honor
Board Room
Lincoln Park
San Francisco, California
Thursday, June 12, 1997, 3:00 p.m.*

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AGENDA

Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to the meeting.

Minutes of the meeting will be made in alternative formats upon request.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The MUNI's wheelchair-accessible No. 18 line stops in front of the Legion.

***Or such earlier time as the Fine Arts Museums of San Francisco Board of Trustees meeting ends, but in no event before 3:30 p.m.**

Administrative Offices
233 Post Street, San Francisco, CA 94108-5003
tel: 415.750.3600 fax: 415.750.7686

For access to the Legion from downtown, take MUNI's wheelchair-accessible No. 38 Geary line to 33rd and Clement and connect with the No. 18 line. For more information about MUNI's accessible services, call (415) 923-6142.

There are accessible parking spaces (disabled-designated) available in front of the Legion.

Accessible seating for persons with disabilities (including those using wheelchairs) will be available.

For Telecommunication Device for the Deaf (TDD), the Museums use the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

ORDER OF BUSINESS

I. Calling of the Meeting to Order - Mrs. Alfred S. Wilsey, Chairman

II. Calling of the Roll

Trustees

Alvin H. Baum, Jr.
Alix Phillips Becker
Shirley Breyer Black
George McNear Bowles
Mrs. Philip E. Bowles III
Robert J. Bransten, Vice President/Collections
Mrs. Barbara B. Carleton
Mrs. Ransom S. Cook
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Mrs. John V. Erickson
Richard P. Essey
Richard H. Finn
Morgan Flagg
Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II, President
Douglas W. Grigg
Mrs. Nancy Hamon
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Diane B. Lloyd-Butler
George M. Marcus
Mrs. Peter McBean
Nion McEvoy
J. Alec Merriam

II. Calling of the Roll (continued)

Michael W. Michelson
Robert A. Mills
Walter S. Newman
Michael E. O'Neill
Mrs. Julian Peabody
Steven MacGregor Read
George R. Roberts
Waldemar Rojas
John N. Rosekrans, Jr.
Gail P. Seneca
Katharine Doyle Spann
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Burl A. Toler, Sr.
Sidney R. Unobskey
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, Chairman
Alfred S. Wilsey
Frank Montgomery Woods

Ex-Officio Trustee Members

Mayor Willie L. Brown, Jr.
Eugene Friend, President, Recreation and Park Commission

Absences to be Excused:

Non-Voting Officers
Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

There will be an opportunity for public testimony before action is taken on each agenda item.

III. Report of the Chairman - Mrs. Alfred S. Wilsey

IV. Report of the President - Richard W. Goss II

A. Approval of the May 8, 1997 Minutes of the Executive Committee of the Board of Trustees (See Appendix A)

Approved ___

B. Fixing the Number of Trustees Positions

WHEREAS, On June 14, 1990, the Corporation of The Fine Arts Museums By-laws were amended to provide for a variable number of Trustees; and

WHEREAS, The amendment stated that the authorized number of Trustees shall not be less than thirty-eight and not more than seventy-five, the exact authorized number to be set by the Board from time to time; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby set the number of Trustees at fifty-eight until such number is changed by this Board.

Approved ___

C. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on FY 1996-97 COFAM Operating Budget (See Appendix B)

B. Review and Approval of FY 1997-98 COFAM Operating Budget (See Appendix C)

C. Bequest - Estate of Joyce I. Swader

WHEREAS, On May 17, 1996, Mary Gemma O'Keeffe, attorney for the executor of the Estate of Joyce I. Swader, informed the Fine Arts Museums of San Francisco that decedent Joyce I. Swader had named the M. H. de Young Memorial Museum as a beneficiary to receive one-ninth of her estate; and

C. Bequest - Estate of Joyce I. Swader (continued)

WHEREAS, On May 12, 1997, the first and final unrestricted distribution from the Estate of Joyce I. Swader in the amount of $37,858.66 was received by the Fine Arts Museums of San Francisco; and

WHEREAS, The Director of Museums recommends the disposition of the proceeds for unrestricted art acquisitions; now, therefore, be it

RESOLVED, That the Board of Directors does hereby restrict the proceeds from the Estate of Joyce I. Swader for unrestricted art acquisitions.

Approved ___

D. Paving and Striping of the Lower Road on the Golden Gate Side of the Legion of Honor

WHEREAS, The renovation of the California Palace of the Legion of Honor was completed in November 1995; and

WHEREAS, The lower road on the Golden Gate side of the Legion of Honor, the primary source of parking, is partially paved; and

WHEREAS, The lower road is greatly affected by the rains during the winter months making access and parking difficult; and

WHEREAS, It is advantageous to pave and stripe the lower road during the summer months of 1997 prior to the opening of the exhibition, *Masters of Light: Painters in Utrecht During the Dutch Golden Age*; and

WHEREAS, Based upon Campaign 2000 Phase I funds to renovate the California Palace of the Legion of Honor, cash flows and close out costs, it appears there will be sufficient funds to pave and stripe the lower road at a cost of $80,000; now, therefore, be it

RESOLVED, That the Board of Trustees does hereby authorize the Chief Executive Officer to proceed with paving and striping the lower road during the summer months of 1997 before the rainy season begins.

Approved ___

E. Authority to Transfer Stock

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

Approved ___

F. Other Informational Items

VI. Appointment of Auditors - William A. Stimson, Chair of the Budget Committee and Vice President/Finance

RESOLVED, That Coopers & Lybrand is appointed to audit the combined balance sheet of the Fine Arts Museums of San Francisco (FAM) as of June 30, 1997 and the related combined statements of revenues, expenses and changes in fund balances for the year then ended; and that the combined financial statements will include COFAM, The Fine Arts Museums Foundation (FAMF), and FAM as recorded on the books of the City and County of San Francisco; and be it

FURTHER RESOLVED, That Coopers & Lybrand is also appointed to undertake a Registration Department Agreed-Upon Procedures Review; and be it

FURTHER RESOLVED, That the audit cost of the combined financial statement for COFAM, FAM and FAMF plus the Registration Procedures Review will be about $92,025 including out-of-pocket costs.

Approved ___

VII. The Fine Arts Museums Foundation - Quarterly Performance Report - Charles Crocker, President (See Appendix D)

VIII. Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

IX. Adjournment - Mrs. Alfred S. Wilsey, Chairman

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THE FINE ARTS MUSEUMS FOUNDATION
ENDOWMENT PORTFOLIO
MARKET VALUES AND PERFORMANCE

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	Investment Style	Balance @ 3/31/97	% of Total Portfolio	1st Qtr 1997	Returns Twelve Months thru 3/31/97
RCM	Cash & Cash Equivalents	1,582,229	3.2%	2.22%	10.25%
	Large Cap Growth Stocks	12,693,680	25.5%	0.55%	15.75%
	Fixed Income	15,388,611	30.9%	-0.36%	6.63%
	Small Cap Fund	1,475,280	3.0%	-11.21%	N/A
	International Equity Fund	2,363,583	4.7%	2.36%	N/A
	RCM Total	33,503,383	67.2%	0.70%	13.15%
Boston Partners	Mid cap value	8,138,857		-2.26%	N/A
Moody, Aldrich & Sullivan	Mid cap value	8,192,787		-4.30%	N/A
(Mid Cap Value Managers were retained January 1997)		16,331,644	32.8%		
		49,835,027	100.0%		
Overall Asset Allocation Summary	Cash	1,582,229	3%		
	Equities	32,864,187	66%		
	Fixed Income	15,388,611	31%		
Total Endowment Funds		49,835,027	100%		
	S & P 500 Index			2.68%	19.82%
	Salomon Brothers Broad Investment Grade Bond Index			-0.52%	4.90%
	Russell 2000 Index			-5.17%	N/A
	Russell Mid-cap			-4.25%	N/A
	International Equity Benchmark			1.57%	N/A
	(composed of 90% MSCI GDP weighted EAFE Index and 10% MSCI Emerging Free Index)				

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Minutes

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees

June 12, 1997

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Call to Order

A meeting of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, June 12, 1997, in the Board Room and Café of the California Palace of the Legion of Honor, Lincoln Park, San Francisco. A quorum was present that being one-third of the number of Trustees in office. The meeting was called to order at 7:11 p.m. by Mrs. Alfred S. Wilsey, Chairman.

Roll Call

The following Trustees were present:

Alvin H. Baum, Jr.
Alix Phillips Becker
Shirley Breyer Black
George McNear Bowles
Mrs. Philip E. Bowles III
Robert J. Bransten, Vice President/Collections
Barbara B. Carleton
Mrs. Ransom S. Cook
Belva Davis
Mrs. John V. Erickson
Richard P. Essey
Richard H. Finn
Morgan Flagg
Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II, President
Douglas W. Grigg
Mrs. Nancy Hamon
David R. Hoyer
Beverly James
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Diane B. Lloyd-Butler
George M. Marcus
Nion McEvoy

Roll Call (continued)

J. Alec Merriam
Robert A. Mills
Michael E. O'Neill
Mrs. Julian Peabody
Katharine Doyle Spann
William E. Steen, Vice President/Facilities
William A. Stimson
Sidney R. Unobskey
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, Chairman
Alfred S. Wilsey

On motion, duly seconded and carried unanimously, the following Trustees were excused:

Charles Crocker
Mrs. Ray Dolby
Leonard E. Kingsley
J. Burgess Jamieson
Mrs. Peter McBean
Michael W. Michelson
Walter S. Newman
Steven MacGregor Read
George R. Roberts
Waldemar Rojas
John N. Rosekrans, Jr.
Gail P. Seneca
Burl A. Toler, Sr.
Frank Montgomery Woods

The following ex-officio Trustees were unable to be present:

Mayor Willie L. Brown, Jr.
Eugene Friend, President, Recreation and Park Commission

Other Trustees in attendance were:

Ruth Asawa
Mrs. Gunther Detert
Keith G. Eickman

Other Trustees in attendance were (continued):

George Hopper Fitch
Katharine Hanrahan
Mrs. William B. MacColl, Jr.
Mrs. Robert A. Magowan
Mrs. James K. McWilliams
Mrs. J. Alec Merriam
Mrs. W. Robert Phillips
Kenneth Rainin
Florence Sue Wong

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

President Goss presided; Mrs. Gough acted as Secretary.

Report of the Chairman - Mrs. Alfred S. Wilsey

There was no business to report.

Report of the President - Richard W. Goss II

A. Approval of the Minutes of the May 8, 1997 Executive Committee Meeting of the Board of Trustees

The minutes of the May 8, 1997 meeting of the Executive Committee, having been mailed in advance to all Trustees, were approved unanimously.

B. Fixing the Number of Trustees Positions

President Goss presented the following resolution, which was unanimously adopted as **Board Resolution 193.**

WHEREAS, On June 14, 1990, the Corporation of The Fine Arts Museums By-laws were amended to provide for a variable number of Trustees; and

WHEREAS, The amendment stated that the authorized number of Trustees shall not be less than thirty-eight and not more than seventy-five, the

B. Fixing the Number of Trustees Positions (continued)

exact authorized number to be set by the Board from time to time; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby set the number of Trustees at fifty-eight until such number is changed by this Board.

Report of the Chief Executive Officer - Harry S. Parker III

A. Report on FY 1996-97 COFAM Operating Budget

Mr. Parker presented the Operating Budget Report for the period ending April 30, 1997. The cumulative operating budget bottom line was $1,098,124. After the unbudgeted $172,000 COFAM donation to the Campaign for a New de Young is taken into account, the bottom line is reduced to $926,124, which is $171,642 lower than March.

Support ran $829,307 ahead of budget, owing to strong annual contributions, use of exhibit grants and gifts earlier than expected to cover expenses, and the unexpected contribution from the Museum Society at the time of its wind up and dissolution, augmented in April by COFAM's $135,976 two-thirds share of a bequest. Revenues were $829,885 more than budgeted due to *Fabergé* summer gains, followed by steady Legion store sales and general admissions. Facility rental income continued to surpass budget. Other fee income was high because of *Fabergé* catalogue sales to museums on the show's circuit. Membership income lagged. Renewals in May and June 1997 will be key since they reflect substantial member gains from *Monet* in 1995 and *Fabergé* in 1996. Personnel costs were in line with the rolling forecast. Other expenses were somewhat higher than budgeted with many exhibition expenses catching up with the budget.

The COFAM Reserve was $2,459,556 compared to $2,504,711 in March. The minimum reserve level is $2 million by Board policy.

As the Museum moves toward the end of the fiscal year, the rolling forecast becomes a more telling yard stick to measure progress and assess problem areas. The forecast projects a modest year end surplus. In addition to cost control, key fourth quarter (April - June) income factors essential to achieve a surplus to further strengthen the reserve include the successful completion of the annual contributions drive, a popular *Peru* exhibit, and reasonable membership renewal rates.

B. Review and Approval of FY 1997-98 COFAM Operating Budget

Steve Dykes, Deputy Director for Administration and Finance, presented the 1997-98 Operating Budget Proposal. The COFAM $12.4 million operating budget proposal for the fiscal year beginning July 1, 1997 is balanced, with a projected $217,000 surplus that covers about two-thirds of plant fund depreciation expenses. This proposal has been reviewed in detail by the Budget Committee, which recommends it to the Board of Trustees for approval. A copy of the budget with summary notes was sent to the Trustees before the Board meeting.

This is a very tight plan. While many fine exhibitions are scheduled, there is no major show with the positive bottom line impact of *Monet* or *Fabergé* in previous years or the potential of the two major exhibitions in FY 1998-99, *Picasso and the War* followed by *Impressionism Winter Scenes.* In the absence of a financial cushion from a big show, next year's budget plan is to make ends meet by meticulously generating revenues, cultivating individual donations and grant support, and keeping costs in check. The year demands precise, hands-on management to continue to achieve financial stability by delivering balanced budget results.

On motion, duly seconded, the following resolution was unanimously adopted as **Board Resolution 194:**

RESOLVED, That upon the recommendation of the COFAM Budget Committee, the Board of Trustees approves the balanced COFAM FY 1997-98 Operating Budget Proposal of $12.4 million.

C. Bequest - Estate of Joyce I. Swader

Mr. Parker introduced the following resolution, which was unanimously adopted with sincere appreciation to decedent Joyce I. Swader as **Board Resolution 195:**

WHEREAS, On May 17, 1996, Mary Gemma O'Keeffe, attorney for the executor of the Estate of Joyce I. Swader, informed the Fine Arts Museums of San Francisco that decedent Joyce I. Swader had named the M. H. de Young Memorial Museum as a beneficiary to receive one-ninth of her estate; and

WHEREAS, On May 12, 1997, the first and final unrestricted distribution from the Estate of Joyce I. Swader in the amount of $37,858.66 was received by the Fine Arts Museums of San Francisco; and

WHEREAS, The Director of Museums recommended the disposition of the proceeds for unrestricted art acquisitions; now, therefore, be it

RESOLVED, That the Board of Directors does hereby restrict the proceeds from the Estate of Joyce I. Swader for unrestricted art acquisitions.

D. Paving and Striping of the Lower Road on the Golden Gate Side of the Legion of Honor

Mr. Parker presented the following resolution, which was unanimously adopted as **Board Resolution 196:**

WHEREAS, The renovation of the California Palace of the Legion of Honor was completed in November 1995; and

WHEREAS, The lower road on the Golden Gate side of the Legion of Honor, the primary source of parking, is partially paved; and

WHEREAS, The lower road is greatly affected by the rains during the winter months making access and parking difficult; and

WHEREAS, It is advantageous to pave and stripe the lower road during the summer months of 1997 prior to the opening of the exhibition, *Masters of Light: Painters in Utrecht During the Dutch Golden Age*; and

WHEREAS, Based upon Campaign 2000 Phase I funds to renovate the California Palace of the Legion of Honor, cash flows and close out costs, it appears there will be sufficient funds to pave and stripe the lower road at a cost of $80,000; now, therefore, be it

RESOLVED, That the Board of Trustees does hereby authorize the Chief Executive Officer to proceed with paving and striping the lower road during the summer months of 1997 before the rainy season begins.

E. Authority to Transfer Stock

On motion, duly seconded, the following resolution was unanimously adopted as **Board Resolution 197:**

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate

E. Authority to Transfer Stock

the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

Appointment of Auditors - William A. Stimson, Chair of the Budget Committee and Vice President/Finance

Upon the recommendation of the Budget Committee, Trustee Stimson introduced the following resolution which was unanimously adopted as **Board Resolution 198:**

RESOLVED, That Coopers & Lybrand is appointed to audit the combined balance sheet of the Fine Arts Museums of San Francisco (FAM) as of June 30, 1997 and the related combined statements of revenues, expenses and changes in fund balances for the year then ended; and that the combined financial statements will include COFAM, The Fine Arts Museums Foundation (FAMF), and FAM as recorded on the books of the City and County of San Francisco; and be it

FURTHER RESOLVED, That Coopers & Lybrand is also appointed to undertake a Registration Department Agreed-Upon Procedures Review; and be it

FURTHER RESOLVED, That the audit cost of the combined financial statement for COFAM, FAM and FAMF plus the Registration Procedures Review will be about $92,025 including out-of-pocket costs.

The Fine Arts Museums Foundation - Quarterly Performance Report - President Richard W. Goss II for Charles Crocker, Foundation President

President Goss presented the Foundation's Endowment Fund Report in the absence of Charles Crocker, Foundation President. At the close of business on June 6, 1997, the Endowment Fund portfolio was valued at $54,425,000. It was invested 68% in equities, 27% in fixed income, and 5% in cash and cash equivalents. President Goss noted that as requested an endowment portfolio market values and performance report for the quarter ending March 31, 1997 has been distributed to all Trustees.

Report of the Annual Support Committee - President Richard W. Goss II for Mrs. Ray Dolby, Chair and Vice President

In the absence of Mrs. Ray Dolby, Chair and Vice President of Annual Support, President Goss reported that in eleven months $2,122,082 in unrestricted annual support has been raised. This represented 93.5% of the Museums' revised goal of $2,270,000. Appreciation was extended to all Trustees for their ongoing generosity. Mrs. Richard Goodyear, Chairman of the Patrons, and Mrs. Philip E. Bowles, Chairman of the Friends, were particularly acknowledged for their efforts in meeting or exceeding the fund-raising goals established for the Patrons (150% of goal achieved) and the Friends (100% of goal achieved).

Adjournment - Mrs. Alfred S. Wilsey, Chairman

There being no further business, the meeting was adjourned at 7:20 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

FINE ARTS MUSEUMS of SAN FRANCISCO

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Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

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9/97

OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums
Board of Trustees

Thursday, October 9, 1997
3:30 p.m.[1]
Gallery 23
M. H. de Young Memorial Museum
Golden Gate Park
San Francisco, California

AGENDA

ORDER OF BUSINESS

I. Calling of the Meeting to Order - Mrs. Alfred S. Wilsey, Chairman

II. Calling of the Roll

Trustees

Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
Shirley Breyer Black
George McNear Bowles
Mrs. Philip E. Bowles III
Robert J. Bransten, Vice President/Collections
Mrs. Barbara B. Carleton
Mrs. Ransom S. Cook
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Mrs. John V. Erickson
Richard P. Essey
Richard H. Finn
Morgan Flagg

[1] Or such earlier time as the Fine Arts Museums of San Francisco Board of Trustees meeting ends, but in no event before 3:30 p.m.

II. Calling of the Role (continued)

Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II, President
Douglas W. Grigg
Mrs. Nancy Hamon
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Diane B. Lloyd-Butler
George M. Marcus
Mrs. Peter McBean
Nion McEvoy
J. Alec Merriam
Michael W. Michelson
Robert A. Mills
Walter S. Newman
Michael E. O'Neill
Mrs. Julian Peabody
Steven MacGregor Read
George R. Roberts
Waldemar Rojas
John N. Rosekrans, Jr.
Gail P. Seneca
Katharine Doyle Spann
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Burl A. Toler, Sr.
Sidney R. Unobskey
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, Chairman
Alfred S. Wilsey
Frank Montgomery Woods

II. Calling of the Roll (continued)

Ex-Officio Trustee Members

Mayor Willie L. Brown, Jr.
Eugene Friend, President, Recreation and Park Commission

Absences to be Excused:

Non-Voting Officers
Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

There will be an opportunity for public testimony before action is taken on each agenda item.

III. Report of the Chairman - Mrs. Alfred S. Wilsey

IV. Report of the President - Richard W. Goss II

A. Approval of the September 18, 1997 Minutes of the Special Meeting of the Executive Committee of the Board of Trustees (See Appendix A) Filed under m...tes

B. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on FY 1996-97 COFAM Operating Budget (See Appendix B)

B. Approval of Authority to Transfer Stock

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate

B. Approval of Authority to Transfer Stock (continued)

the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

C. Other Informational Items

VI. Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

VII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

VIII. Adjournment - Mrs. Alfred S. Wilsey, Chairman

*****

Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to the meeting.

Minutes of the meeting will be made in alternate formats upon request.

The MUNI's wheelchair-accessible No. 44 line (south bound) stops in front of the de Young Museum. The No. 44 line (north bound) stops in front of the Academy of Sciences.

For access to the de Young Museum by BART from the East Bay, get off at the New Montgomery Station. Take MUNI's No. 38 line (Geary) to 6th Avenue and transfer to the No. 44 line (O'Shaughnessy).

For access to the de Young Museum by BART from Daly City, get off at the Civic Center Station. Take MUNI's No. 71 line (outbound) and transfer at 6th Avenue at Lincoln Way to the No. 44 line (O'Shaughnessy).

There is accessible parking spaces (disabled-designated) available at the following locations:

a) The de Young Museum parking lot (driveway access at 10th Avenue and Kennedy Drive).
b) The Music Concourse area, east end (access from Tea Garden Drive).

Accessible seating for persons with disabilities (including those using wheelchairs) will be available. For Telecommunication Device for the Deaf (TDD), the Museums use the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

If you are unable to attend the meeting, you may submit written comments to Judy Gough, Fine Arts Museums of San Francisco, 233 Post Street, 6th Floor, San Francisco, CA, 94108.

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COFAM Operating Budget Report

August 31, 1997

Overview

Two months into the new fiscal year, the operating budget was $148,496 in the black. The *Spirit of Ancient Peru* show at the de Young closed August 31st. Although it was well received, it did not attract large enough crowds, or new and renewing members, to meet goals in the General Admissions and Membership revenue lines, throwing total budget bottom line results off by $135,000.

The COFAM Reserve was $1,883,453 – about $54,000 lower than July. Board policy is to maintain a $2 million reserve.

Cumulative July and August numbers track weak summer performance, which started the year behind the budget plan. In addition, the financial impact of fewer *Utrecht* visitors by holding the show at the Legion instead of the de Young due to seismic insurance problems will not be seen until the September budget report. However, *Utrecht* visitors are currently running 30% lower than de Young site projections – 189 visitors / hour at the Legion, compared to the budget expectation of 275 / hour at the de Young. The summer slump, re-scheduling shows to the Legion, and other facts will be taken into account in a recast budget to be reviewed by the Budget Committee.

Support and Revenue

Annual Contributions were somewhat off due mainly to poor phone solicitation results. (See Appendix "A" page 5 for details.) Specified funds draw downs were more than forecast in two areas: exhibitions for *Utrecht* installation bills incurred sooner than expected, which were covered by the generous sponsorship of the FAM Auxiliary; and restricted general funds to meet unbudgeted new de Young planning expenses. The use of specified funds is always offset dollar-for-dollar by expenses, so bottom line budget results are unaffected.

With attendance running 21% behind forecast, revenues were depressed. Store gross profit was behind budget by $21,000. The de Young store was just ahead of budget. Legion store performance was off after a slow summer, but the special *Peru* store did better than

expected. (See Appendix "B" page 6 for details.) General admission revenues were off $75,000 – money which probably cannot be recouped during the course of the fiscal year. FAM membership dues payments were 14% ($51,000) lower than predicted due in part to the *Peru* show not being a sufficient draw to retain members who joined for the *Monet* (1995) and *Faberge* (1996) exhibits.

Expenses

Personnel expenses were 1.5% high at $14,000 above budget with blips in project funded term employees for the Museum Ambassadors and Art Reach educational programs, as well as exhibit temporary labor for the unbudgeted cost of deinstalling Legion galleries 1—6 to make room for *Utrecht*. Store personnel costs exceeded budget over the summer to cover the year end inventory count, provide for vacation relief, and meet customer demand at the *Peru* store.

Other expenses were 6% high at $29,000 above budget. Cost leaders were administration general and membership services. Administration was up because of insurance premiums payments and new de Young planning costs, which were offset by restricted funds. Membership services were running ahead due to up front magazine and member promotion mailings.

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COFAM Operating Budget Report for the Month Ended August 31, 1997

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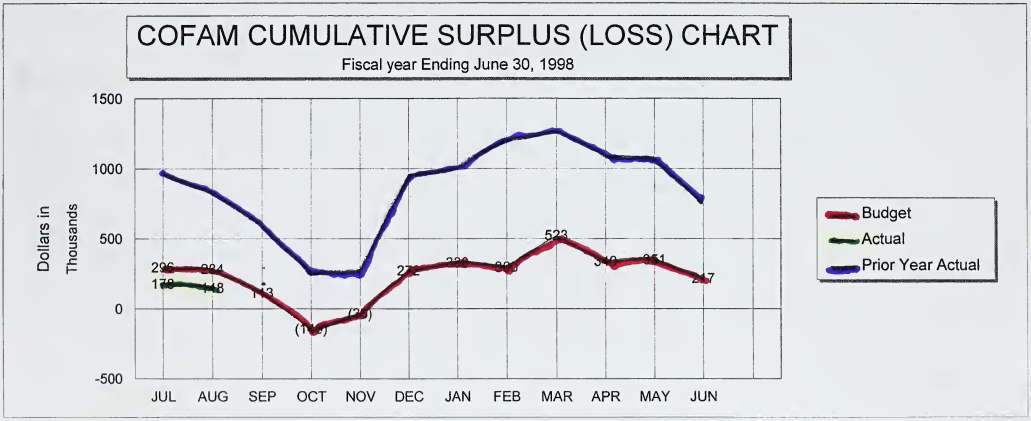
COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal year Ending June 30, 1998
Dollars in Thousands
1500
1000
500
0
-500
JUL
AUG
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MAY
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523
Budget
Actual
Prior Year Actual

COFAM FY 1997-98 Operating Budget At August 31, 1997 (1 Months --16.8% Of The Budget Year)

	(1)		(2)			(3)		(4)	(5)
	August		2-Months			% Actual			
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	To Original Budget		Actual Prior Year At 2 Months	Notes
SUPPORT & REVENUE									
Support									
1) Annual Contributions	84,500	64,933	227,500	158,108	(29,392)	2,500,000	7.9%	242,410	See Appendix "A" page 5 for details
2) Museum Society Bequests	0	0	0	0	0	0	0.0%	0	
3) Foundation Endowment Support	92,128	92,128	184,256	184,256	0	1,105,534	16.7%	164,480	
4) Specified Funds									
--Curatorial/Conservation	26,013	29,331	47,732	43,497	(4,235)	319,100	13.6%	51,313	
--Achenbach Collection Mgmt. Project	0	0	0	0	0	0	0.0%	5,102	
--Publications	11,000	11,829	11,000	17,024	6,024	68,000	25.0%	0	
--Exhibition Funds Secured	45,120	96,819	55,120	108,257	53,137	232,371	46.6%	13,066	
--Exhibition Funds To Be Raised	0	0	0	0	0	100,000	0.0%	0	
--Education Programs	0	4,254	0	5,393	5,393	271,000	2.0%	0	
--General	5,000	28,695	5,000	28,695	23,695	65,000	44.1%	2,998	
5) COFAM Investment Income	15,000	13,728	25,000	18,251	(6,749)	140,000	13.0%	38,866	
Subtotal Support	278,761	341,517	555,608	603,481	47,873	4,801,005	12.6%	518,235	

COFAM FY 1997-98 Operating Budget At August 31, 1997 (1 Months --16.6% Of The Budget Year)

	(1) August		(2) 2-Months			(3)		(4)	(5)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	% Actual To Original Budget		Actual Prior Year At 2 Months	Notes
Revenue									
6) Museum Store Sales	236,807	232,938	484,363	429,339	(55,024)	2,492,955	17.2%	979,776	See Appendix "B" page 6 for details
Less Discounts	(14,211)	(9,079)	(30,677)	(17,729)	12,948	(149,660)	11.8%	(36,927)	
Less Cost of Goods	(122,874)	(124,953)	(249,227)	(229,754)	19,473	(1,299,447)	17.7%	(472,005)	
Less Commissions	(1,287)	0	(1,287)	0	1,287	(15,449)	0.0%	0	
Gross Profit	98,435	98,904	203,172	181,856	(21,316)	1,028,399	17.7%	470,844	
7) Facilities Rental Gross	40,000	37,100	90,000	77,100	(12,900)	700,000	11.0%	49,796	
8) Benefits Gross Income	0	2,000	0	4,200	4,200	245,000	1.7%	0	
9) General Admissions COFAM Net	183,875	143,151	348,421	273,918	(74,503)	1,881,750	14.6%	456,889	Museum Attendance - August 1997: 74,593 visitors, 45.6% paid, budgeted - 80,000 visitors, 45% paid
10) Food & Beverage Concession Fees	14,007	14,249	29,559	27,520	(2,039)	159,884	17.2%	29,740	Year to Date: 143,678 visitors, 45.3% paid, budgeted - 175,000, 45% paid
11) Exhibition Program Earned Income	25,000 *	36,687	50,000	72,300	22,300	375,175	19.3%	264,966	
14)FAM Membership Dues	181,467	159,202	372,891	322,067	(50,824)	2,622,240	12.3%	408,004	Year to date: 5,818 dues paid members averaging $55.36 per member Compared to budgeted goals of 6,826 dues paid members averaging $54.63 per member
15) Conservation Services	21,189	26,196	31,784	31,751	(33)	254,270	12.5%	30,539	
16) Miscellaneous									
--Development Trip Fees	10,000	5,840	20,000	8,340	(11,660)	140,000	6.0%	18,108	
--Other Fees	31,777	17,827	47,665	53,873	6,208	381,320	14.1%	68,168	
Subtotal Revenue	585,750	541,156	1,193,492	1,052,925	(140,567)	7,788,038	13.5%	1,797,054	
Total Support & Revenue	864,511	882,673	1,749,100	1,656,406	(92,694)	12,589,043	13.2%	2,315,289	

	(1)		(2)			(3)		(4)	(5)
	August		2-Months			% Actual		Actual Prior	Notes
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	To Original Budget		Year At 2 Months	
EXPENSES									
Personnel Expenses									
17) Curatorial									
Curatorial/Conservation/Education	174,062	159,250	299,639	286,717	(12,922)	2,262,805	12.7%	325,723	
Project Funded Term Employees	33,751	52,592	67,502	61,403	13,901	438,761	18.8%	61,085	
Exhibit Group	62,633	62,060	108,895	99,836	(9,259)	814,231	12.2%	93,680	
Exhibit Program Temporary Labor	3,000	12,815	5,500	21,070	15,570	173,814	12.1%	32,310	
18) Development	36,693	36,252	85,035	84,260	(775)	477,009	13.5%	58,046	
19) Administration									
Administration General	87,610	86,846	159,450	155,172	(4,278)	1,138,927	13.6%	147,783	
Operations Group	15,641	15,654	28,716	27,937	(779)	203,335	13.7%	27,784	
Stores	30,251	40,537	54,576	72,307	17,731	447,647	16.2%	97,114	
Facilities Rental	16,321	11,256	26,641	22,231	(4,410)	212,167	10.5%	11,072	
20) Marketing & Membership									
General	16,828	16,375	29,580	29,940	360	218,766	13.7%	29,905	
Public Relations & Advertising	21,732	21,351	38,898	38,332	(566)	282,510	13.6%	37,182	
FAM Membership Services	28,182	28,226	50,364	49,303	(1,061)	356,366	13.5%	57,965	
Subtotal Personnel	526,703	543,214	934,796	948,308	13,512	7,036,338	13.5%	979,649	

COFAM FY 1997-98 Operating Budget At August 31, 1997 (1 Months --16.6% Of The Budget Year)

	(1) August		(2) 2-Months			(3)		(4)	(5)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	% Actual To Original Budget		Actual Prior Year At 2 Months	Notes
Other Expenses									
21) Curatorial									
Curatorial/Conservation/Education	40,000	30,699	53,545	40,582	(12,963)	618,293	6.6%	85,374	
Publications	11,000	11,629	11,000	17,024	6,024	68,000	25.0%	0	
Exhibit Group	7,417	7,228	11,125	12,331	1,206	89,000	13.9%	5,552	
Exhibit Program	98,500	103,982	117,500	118,894	1,394	1,283,121	9.3%	87,207	
22) Development									
Development General	15,375	21,152	40,750	31,519	(9,231)	543,850	5.8%	25,782	
Benefits	0	0	0	0	0	163,000	0.0%	0	
23) Administration									
Administration General	61,387	61,161	92,080	130,089	38,009	736,643	17.7%	86,351	
Operations Group	45,010	39,097	78,776	78,472	(304)	540,120	14.5%	71,068	
Facilities Rental	1,500	621	2,000	1,647	(353)	17,750	9.3%	1,570	
Stores	9,200	8,554	13,400	13,390	(10)	100,000	13.4%	41,055	
24) Marketing & Membership									
General	9,539	4,239	12,719	5,733	(6,986)	114,475	5.0%	17,926	
Media Relations & Advertising	26,800	21,213	42,456	40,391	(2,065)	402,200	10.0%	30,649	
FAM Membership Services	24,187	39,503	55,277	69,530	14,253	661,022	10.5%	50,362	
Subtotal Other Expenses	349,915	369,276	530,828	559,802	28,974	5,335,474	10.5%	502,876	
Total Expenses	876,618	912,490	1,465,424	1,507,910	42,486	12,371,812	12.2%	1,482,525	
SUPPORT & REVENUE OVER EXPENSES	(12,107)	(29,817)	283,875	146,496	(135,179)	217,231	n/a	832,764	
LESS PLANT FUND DEPRECIATION	(25,000)	(25,000)	(50,000)	(50,000)	0	(259,500)	19.3%	(41,190)	
	(37,107)	(54,817)	233,875	96,496	(135,179)	(42,269)	n/a	791,574	

Annual Contributions Report -- Month Ending August 31, 1997 (16.6% Of The Budget Year)

(1)	(2)			(3)				(4)		
Contribution Categories	August 1997 Budget	August 1997 Actuals	August 1996 Actuals	Year To Date Budget	Year To Date Actuals	Variance to Y-T-D Budget	Prior Year Actuals	Current Year Annual Goals	Revised Current Year Annual Goals	Current Year % of Revised Annual Goals Achieved
1) Associates ($5,000 and up)	35,000	14,432	16,000	110,000	106,859	(3,141)	129,102	1,400,000	1,450,000	7.4%
2) Patrons ($2,500 - $5,000)	2,500	9,500	2,500	7,500	14,500	7,000	2,750	55,000	75,000	19.3%
3) Friends ($1,000 - $2,500)	25,000	29,636	27,558	40,000	39,641	(359)	41,458	450,000	420,000	9.4%
4) National Council/Other	2,000	1,048	2,900	4,000	2,324	(1,676)	7,095	45,000	55,000	4.2%
5) Mail Drive	0	255	520	1,000	2,245	1,245	775	150,000	125,000	1.8%
6) Phone Campaign	5,000	2,135	0	35,000	10,060	(24,940)	0	150,000	125,000	8.0%
7) Business	10,000	5,272	25,335	15,000	7,324	(7,676)	30,635	150,000	150,000	4.9%
8) Foundations	5,000	2,655	25,245	15,000	15,155	155	30,595	100,000	100,000	15.2%
	84,500	64,933	100,058	227,500	198,108	(29,392)	242,410	2,500,000	2,500,000	7.9%

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	In House Merchandising						Outside Merchandising			
	(1) deYoung Store		(2) Legion Store		(3) Larco Store		(4) Wholesale & Royalties		(5) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Sales	192,050	94,690	169,200	119,578	108,000	191,135	15,113	23,936	484,363	429,339
Discounts	(17,285)	(5,020)	(10,152)	(4,161)	(3,240)	(8,548)	0	0	(30,677)	(17,729)
Cost of Goods	(97,946)	(52,238)	(87,984)	(64,019)	(54,000)	(102,279)	(9,298)	(11,217)	(249,227)	(229,753)
Commissions	0	0	0	0	0	0	(1,287)	0	(1,287)	0
Gross Profit	76,820	37,432	71,064	51,398	50,760	80,308	4,527	12,719	203,171	181,857
Personnel Expenses	22,500	25,266	19,836	21,994	5,714	18,156	6,526	6,890	54,576	72,306
Other Expenses	5,000	8,758	5,000	942	3,400	3,691	0	0	13,400	13,391
Total Expenses	27,500	34,024	24,836	22,936	9,114	21,847	6,526	6,890	67,976	85,697
Gross Profit Over Expense	49,320	3,408	46,228	28,462	41,646	58,461	(1,999)	5,829	135,195	96,160
Variance to Year To Date		(45,912)		(17,766)		16,815		7,827		(39,036)

COFAM Balance Sheet At August 31,1997

ASSETS		LIABILITIES & FUND BALANCES	
Cash	313,242	Accounts Payable	585,996
Cash Equivalents	3,011,809	Other Accrued Liabilities	3,349,737
Accounts Receivable	3,046,786	Deferred Income - Restricted	1,302,651
Prepaid Expenses	287,591	Deferred Income - Unrestricted	3,183,912
Note Receivable	100,000	Fund Balances	
Inventory - Store	629,924	Unrestricted Fund	3,422,442
Inventory - Publications	396,100	Plant Fund	(2,711,966)
Investment in Bonds	750,000	Revenues over Expenses	105,385
Furniture & Equipment (Net)	704,290	(Note 2)	
	9,239,742		9,238,157

COFAM Reserve At 8/31/97 1,883,453

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,325,051
Bonds	750,000
Accounts Receivable	3,046,786
Less Accounts Payable	(585,996)
Less Other Accrued Liabilities	(3,349,737)
Less Deferred Income - Restricted	(1,302,651)
	1,883,453

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	148,496
Less Plant Fund	(67,684)
Plus Restricted Funds	24,573
Less Airport Fund	0
Surplus / (Deficit)	105,385

COFAM Balance Sheet At July 31,1997

ASSETS		LIABILITIES & FUND BALANCES	
Cash	309,448	Accounts Payable	743,347
Cash Equivalents	3,023,310	Other Accrued Liabilities	3,329,613
Accounts Receivable	3,224,299	Deferred Income - Restricted	1,295,876
Prepaid Expenses	288,857	Deferred Income - Unrestricted	3,276,029
Note Receivable	100,000	Fund Balances	
Inventory - Store	695,222	Unrestricted Fund	3,422,442
Inventory - Publications	395,041	Plant Fund	(2,711,966)
Investment in Bonds	750,000	Revenues over Expenses	160,126
Furniture & Equipment (Net)	729,290	(Note 2)	
	9,515,467		9,515,468

COFAM Reserve At 7/31/97	1,938,221

Note 1 -- Reserve Formula	
Cash & Cash Equivalents	3,332,758
Bonds	750,000
Accounts Receivable	3,224,299
Less Accounts Payable	(743,347)
Less Other Accrued Liabilities	(3,329,613)
Less Deferred Income - Restricted	(1,295,876)
	1,938,221

Note 2 -- Revenues over Expenses	
Operating Revenue over Expenses	179,076
Less Plant Fund	(26,726)
Plus Restricted Funds	7,776
Less Airport Fund	0
Surplus / (Deficit)	160,126

Minutes

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees

October 9, 1997

Call to Order

A meeting of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, October 9, 1997, in Gallery 23 of the M. H. de Young Memorial Museum, Golden Gate Park, San Francisco. A quorum was present that being one-third of the number of Trustees in office. The meeting was called to order at 4:41 p.m. by Mrs. Alfred S. Wilsey, Chairman.

The following Trustees were present:

Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
Shirley Breyer Black
Mrs. Philip E. Bowles III
Barbara B. Carleton
Mrs. Ransom S. Cook
Charles Crocker
Mrs. Ray Dolby, Vice President/Annual Support
Mrs. John V. Erickson
Richard P. Essey
Morgan Flagg
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Mrs. Richard Goodyear
Richard W. Goss II, President
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Leonard E. Kingsley
Diane B. Lloyd-Butler
George M. Marcus
Nion McEvoy
J. Alec Merriam
Michael W. Michelson
Michael E. O'Neill
Mrs. Julian Peabody
Steven MacGregor Read
Waldemar Rojas

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Roll Call (continued)

Katharine Doyle Spann
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Burl A. Toler, Sr.
Sidney R. Unobskey
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, Chairman

On motion, duly seconded and carried unanimously, the following Trustees were excused:

George McNear Bowles
Robert J. Bransten, Vice President/Collections
Belva Davis
Richard H. Finn
Mrs. Lynn C. Fritz
Richard N. Goldman
Douglas W. Grigg
Mrs. Nancy Hamon
Ann L. Johnson, M.D.
Stephen L. Johnson
Mrs. Peter McBean
Robert A. Mills
Walter S. Newman
George R. Roberts
John N. Rosekrans, Jr.
Gail P. Seneca
Marshall I. Wais, Sr.
Alfred S. Wilsey
Frank Montgomery Woods

The following ex-officio Trustees were unable to be present:

Mayor Willie L. Brown, Jr.
Eugene Friend, President, Recreation and Park Commission

Other Trustees in attendance were:

Keith G. Eickman
George Hopper Fitch
Katharine Hanrahan
Mrs. Leonard E. Kingsley
Mrs. Robert A. Magowan

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

President Goss presided; Mrs. Gough acted as Secretary.

Report of the Chairman - Mrs. Alfred S. Wilsey

There was no business to report.

Report of the President - Richard W. Goss II

A. Consideration and Approval of the Minutes of the September 18, 1997 Special Meeting of the Executive Committee of the Board of Trustees

The minutes of the September 18, 1997 special meeting of the Executive Committee of the Board of Trustees, having been mailed in advance to all Trustees, were approved unanimously.

Report of the Chief Executive Officer - Harry S. Parker III

A. Report on FY 1996-97 COFAM Operating Budget

Steve Dykes, Deputy Director for Administration and Finance, presented the Operating Budget Report for the period ending August 31, 1997. Two months into the new fiscal year, the operating budget was $148,496 in the black. The *Spirit of Ancient Peru* show at the de Young closed on August 31st. Although it was well received, it did not attract large enough crowds, or new and renewing members, to meet goals in the General Admissions and Membership lines, throwing total budget bottom line results off by $135,000.

The COFAM Reserve was $1,883,453 – about $54,000 lower than July. Board policy is to maintain a $2 million reserve.

B. **Review and Approval of FY 1997-98 COFAM Operating Budget (continued)**

Cumulative July and August numbers track weak summer performance, which started the year behind the budget plan. In addition, the financial impact of fewer *Ukrecho* visitors by holding the show at the Legion instead of the de Young due to seismic insurance problems will not be seen until the September budget report. However, *Ukrecho* visitors are currently running 30% lower than de Young site projections – 189 visitors / hour at the Legion, compared to the budget expectation of 275 / hour at the de Young. The summer slump, re-scheduling shows to the Legion, and other factors will be taken into account in a recast budget to be reviewed by the Budget Committee in November.

Mr. Parker reported that the analysis requested at the September 18, 1997 special meeting of the Executive Committee addressing the combined financial impact resulting from the switch in exhibitions from the de Young to the Legion of Honor will be presented at a future meeting. It was felt that the combined analysis would be more meaningful if it included first quarter data.

B. **Authority to Transfer Stock**

On motion, duly seconded, the following resolution was unanimously adopted as **Board Resolution 199:**

> RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.
>
> Authorized Individuals:
> Harry S. Parker III
> Stephen E. Dykes, Treasurer
> Barbara Boucke, Deputy Director for Development
> Robert M. Cullison, Controller

C. Other Informational Items

Mr. Parker announced an enterprising and unusual fund-raising event presented by The Vocal Minority on November 7-8, 1997 at the Legion of Honor. This creative song and dance revue, "A Pigment of Your Imagination," was largely written by Richard Goodyear and will benefit the Fine Arts Museums of San Francisco. Trustees were encouraged to attend.

Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

Trustee Dolby reported on Fiscal Year 1997-98 first quarter results. Fund-raising efforts total $373,000 slightly behind projections mainly due to less than anticipated telephone campaign results during July. The donor base has been increased to 400 Friends (minimum donation of $1,000), 25 Patrons (minimum donation of $2,500) and 128 Associates, 7 of whom are new members (minimum donation of $5,000). All efforts are directed to meeting the 1997-98 annual support goal of $2,500,000, which represents an increase of almost 20% over the prior year.

The Fine Arts Museums Foundation - Charles Crocker, Foundation President

Trustee Charles Crocker, President of the Fine Arts Museums Foundation, presented the Endowment Fund Report. At the close of business on October 3, 1997, the Endowment Fund portfolio was valued at $61,025,420 up almost 25% for the year-to-date. It was invested 66.97% in equities, 32.61% in fixed income, and .42% in cash and cash equivalents.

Adjournment - Mrs. Alfred S. Wilsey, Chairman

There being no further business, the meeting was adjourned at 4:55 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

mbt9710

FINE ARTS
MUSEUMS
of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M. H. de Young Memorial Museum

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OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums
Board of Trustees

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Thursday, January 15, 1998
3:30 p.m.[1]
Board Room
California Palace of the Legion of Honor
Lincoln Park
San Francisco, California

AGENDA

ORDER OF BUSINESS

I. Calling of the Meeting to Order - Mrs. Alfred S. Wilsey, Chairman

II. Calling of the Roll

Trustees

Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
Shirley Breyer Black
George McNear Bowles
Mrs. Philip E. Bowles III
Robert J. Bransten, Vice President/Collections
Mrs. Barbara B. Carleton
Mrs. Ransom S. Cook
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Mrs. John V. Erickson
Richard P. Essey
Richard H. Finn
Morgan Flagg

[1] Or such earlier time as the Fine Arts Museums of San Francisco Board of Trustees meeting ends, but in no event before 3:30 p.m.

II. Calling of the Role (continued)

Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II, President
Douglas W. Grigg
Mrs. Nancy Hamon
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Diane B. Lloyd-Butler
George M. Marcus
Mrs. Peter McBean
Nion McEvoy
J. Alec Merriam
Michael W. Michelson
Robert A. Mills
Walter S. Newman
Michael E. O'Neill
Mrs. Julian Peabody
Steven MacGregor Read
George R. Roberts
Waldemar Rojas
John N. Rosekrans, Jr.
Gail P. Seneca
Katharine Doyle Spann
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Burl A. Toler, Sr.
Sidney R. Unobskey
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, Chairman
Alfred S. Wilsey
Frank Montgomery Woods

II. Calling of the Roll (continued)

Ex-Officio Trustee Members

Mayor Willie L. Brown, Jr.
Eugene Friend, President, Recreation and Park Commission

Absences to be Excused:

Non-Voting Officers
Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

III. Report of the Chairman - Mrs. Alfred S. Wilsey

IV. Report of the President - Richard W. Goss II

A. Consideration and Possible Action to Approve the Minutes of the December 11, 1997 Meeting of the Executive Committee of the Board of Trustees (See Appendix A) filed under minutes

B. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on the COFAM Operating Budget as of November 30, 1997 (See Appendix B)

B. Consideration and Possible to Approve Authority to Transfer Stock

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

B. Consideration and Possible to Approve Authority to Transfer Stock (continued)

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

C. Other Informational Items

VI. Report of the Audit Committee - Michael E. O'Neill, Chair

A. Coopers & Lybrand Presentation

B. Consideration and Possible Action to Accept Auditor's Financial Statements for the Year Ended June 30, 1997 and Resolution (See Attached Combined Financial Statement for the Years Ended June 30, 1997 and 1996)

WHEREAS, Coopers & Lybrand submitted to the Corporation of The Fine Arts Museums (COFAM) Audit Committee a draft Combined Financial Statement for the year ended June 30, 1997, including COFAM, the Fine Arts Museums Foundation, and the Fine Arts Museums of San Francisco as a department of the City and County of San Francisco; and

WHEREAS, On December 16, 1997, the COFAM Audit Committee reviewed these financial statements and recommended that the COFAM Board of Trustees accept them; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums, upon the recommendation of the COFAM Audit Committee does hereby accept the Coopers & Lybrand Combined Financial Statements of the Fine Arts Museums of San Francisco for the year ending June 30, 1997.

VII. Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

VIII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

IX. Adjournment - Mrs. Alfred S. Wilsey, Chairman

Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to the meeting.

Minutes of the meeting will be made in alternate formats upon request.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The MUNI's wheelchair-accessible No. 18 line stops in front of the Legion. For access to the Legion from downtown, take MUNI's wheelchair-accessible No. 38 Geary line to 33rd and Clement and connect with the No. 18 line. For more information about MUNI's accessible services, call (415) 923-6142.

There are accessible parking spaces (disabled-designated) available in front of the Legion. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. For Telecommunication Device for the Deaf (TDD), the Museums use the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

If you are unable to attend the meeting, you may submit written comments to Judy Gough, Fine Arts Museums of San Francisco, 233 Post Street, 6th Floor, San Francisco, CA, 94108.

JAN 12 1998

COFAM Operating Budget Report

November 30, 1997

Overview

On November 30th, the operating budget was $41,733 in the black, primarily due to taking $236,538 into support from two unrestricted bequests to help achieve a balanced budget by year end. Revenues continued to be down, especially in those areas tied to attendance such as general admissions and store sales. Membership dues were also off. Personnel expenses were somewhat below budget, and other expenses were higher than expected due to new de Young planning costs in the Administration General line, which were covered by restricted funds. Also, delayed exhibit program expenses caught up to the budget plan and went slightly beyond it.

The COFAM Reserve was $1,646,655— about $227,000 lower than October. Board policy is to maintain a $2 million reserve.

Rolling Forecast To Re-Balance The Budget

The 11/4/97 Rolling Forecast is included in the November budget report and was reviewed in detail by the Budget Committee. This re-balancing plan is necessary for two main reasons. First, lost revenues during a weak summer and fall will not be made up during the course of the fiscal year. Second, the Legion will not offset low de Young attendance, despite moving major shows to the Legion in the wake of losing de Young federal indemnification (insurance) on international loan shows, coupled with domestic lender concerns about the building.

Besides taking unrestricted bequest money into the operating budget on an exceptional basis, the rolling forecast goes on to cut general admissions revenue by $422,598; drops store gross profit $281,859; lowers member dues income $100,000; and raises facility rental proceeds $100,000. Personnel expenses were re-calculated and went up $101,485. Other expenses climbed $125,748 after taking 10% cuts wherever possible; revising expenses covered by restricted funds such as de Young planning costs; and adding offsetting income and expenses for the Knoxville venue of the FAM-organized Peru show.

-- over --

In sum, the rolling forecast is a plan to get through a very difficult year to give the museum the time to stabilize its operating finances, given the likelihood in the immediate future of ongoing low attendance at the de Young in the neighborhood of 250,000 annual visitors (about half what it used to be) with Legion attendance around 300,000 generated by an expensive, full exhibit schedule.

Comments On The November Numbers

Support and Revenue: Annual Contributions were $75,287 below budget with deficiencies in the Friends, National Council, and Phone Campaign categories. Year end giving is likely to put the numbers back on track. (See Appendix "A" page 5 for details.) The receipt of unrestricted bequests is discussed above. The general specified funds line is high to offset new de Young planning expenses. Revenue lines affected by declining attendance are discussed above. Membership dues income was off $110,294 on a revised annual goal of $2.5 million. A bright spot was the benefits gross income line, which was up sharply, thanks to the success of the Vocal Minority's song and dance fund-raising review "A Pigment of Your Imagination".

Expenses: Personnel expenses ran $56,622 less than budget because of fewer grant-paid positions filled than expected and lower costs for exhibit temporary labor. Other expenses were $151,014 more than budget due primarily to the previously discussed de Young planning costs, and secondarily to exhibit costs incurred sooner than expected.

# # #

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COFAM Operating Budget Report for the Month Ended November 30, 1997

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Balance Sheets	7

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COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal Year Ending June 30, 1998

COFAM FY 1997-98 Operating Budget At November 30, 1997 (5 Months --41.7% Of The Budget Year)

	(1) November		(2) 5-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 11/4/97	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 5 Months
SUPPORT & REVENUE									
Support									
1) Annual Contributions	204,500	172,586	767,000	691,713	(75,287)	2,500,000	27.7%	2,500,000	704,779
2) Bequests	0	0	0	236,538	236,538	236,537	0.0%	0	0
3) Foundation Endowment Support	92,128	92,128	460,640	460,640	0	1,105,534	41.7%	1,105,534	418,567
4) Specified Funds									
--Curatorial/Conservation	28,263	25,052	133,318	152,917	19,599	443,987	34.4%	319,100	145,417
--Achenbach Collection Mgmt. Project	0	0	0	0	0	0	0.0%	0	10,103
--Publications	1,000	0	36,000	38,514	2,514	84,864	45.4%	68,000	45,250
--Exhibition Funds Secured	5,000	3,597	120,120	125,413	5,293	387,371	32.4%	232,371	221,242
--Exhibition Funds To Be Raised	10,000	0	30,000	0	(30,000)	100,000	0.0%	100,000	30,000
--Education Programs	7,850	16,723	56,470	72,509	16,039	292,849	24.8%	271,000	64,836
--General	7,500	62,712	47,500	177,342	129,842	125,000	141.9%	65,000	36,045
5) COFAM Investment Income	16,000	7,167	61,000	38,959	(22,041)	140,000	27.8%	140,000	51,937
Subtotal Support	372,241	379,965	1,712,048	1,994,545	282,497	5,416,142	36.8%	4,801,005	1,728,176

	(1) November		(2) 5-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 11/4/97	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 5 Months
Revenue									
6) Museum Store Sales	243,753	247,992	1,161,401	1,000,461	(160,940)	1,803,524	55.5%	2,492,955	1,518,450
Less Discounts	(12,682)	(11,524)	(66,752)	(44,490)	22,262	(86,842)	51.2%	(149,660)	(61,649)
Less Cost of Goods	(126,692)	(133,243)	(601,712)	(537,892)	63,820	(954,694)	56.3%	(1,299,447)	(749,997)
Less Commissions	(1,288)	0	(5,150)	0	5,150	(15,449)	0.0%	(15,449)	0
Gross Profit	103,091	103,225	487,787	418,079	(69,708)	746,540	56.0%	1,028,399	706,804
7) Facilities Rental Gross	65,000	84,205	285,000	280,221	(4,779)	800,000	35.0%	700,000	258,811
8) Benefits Gross Income	50,000	65,300	100,000	191,775	91,775	245,000	78.3%	245,000	0
9) General Admissions COFAM Net	175,036	181,914	845,418	691,123	(154,295)	1,459,152	47.4%	1,881,750	876,357
10) Food & Beverage Concession Fees	14,082	16,801	69,730	73,458	3,728	155,971	47.1%	159,884	75,008
11) Exhibition Program Earned Income	64,000	71,130	225,450	259,199	33,749	338,146	76.7%	375,175	311,978
12)FAM Membership Dues	188,088	148,033	946,149	835,855	(110,294)	2,522,240	33.1%	2,622,240	879,601
13) Conservation Services	21,189	17,290	95,351	95,831	480	270,383	35.4%	254,270	89,249
14) Miscellaneous									
--Development Trip Fees	0	0	80,000	93,210	13,210	140,000	66.6%	140,000	18,108
--Other Fees	31,777	65,970	142,995	226,188	83,193	505,452	44.7%	381,320	193,898
Subtotal Revenue	712,263	753,868	3,277,880	3,164,939	(112,941)	7,182,884	44.1%	7,788,038	3,409,814
Total Support & Revenue	1,084,504	1,133,833	4,989,928	5,159,484	169,556	12,599,025	41.0%	12,589,043	5,137,990

Museum Attendance:
November 1997: 76,092 visitors, 45.1% paid, budgeted - 70,000 visitors, 45% paid.
Year to Date: 322,762 visitors, 45.4% paid, budgeted - 370,000, 45% paid.

Membership:
Year to date: 15,310 dues paid members averaging $54 60 per member
compared to budgeted goals of 17,319 dues paid members averaging $54.63 per member
Current active members = 46,879

	(1) November		(2) 5-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 11/4/97	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 5 Months
EXPENSES									
Personnel Expenses									
15) Curatorial									
Curatorial/Conservation/Education	174,062	172,066	908,856	908,448	(408)	2,264,417	40.1%	2,262,805	907,172
Project Funded Term Employees	33,751	31,517	185,630	155,634	(29,996)	517,761	30.1%	438,761	167,223
Exhibit Group	62,633	57,659	328,111	298,205	(29,906)	804,664	37.1%	814,231	293,350
Exhibit Program Temporary Labor	13,000	11,079	68,400	65,009	(3,391)	173,814	37.4%	173,814	116,194
16) Development	36,693	43,003	193,461	206,278	12,818	481,562	42.8%	477,009	194,123
17) Administration									
Administration General	87,610	85,609	466,084	451,600	(14,484)	1,141,886	39.5%	1,138,927	472,492
Operations Group	15,641	15,114	83,460	79,617	(3,843)	203,146	39.2%	203,335	80,975
Stores	43,430	40,019	190,738	208,277	17,539	469,390	44.4%	447,647	216,858
Facilities Rental	16,321	21,760	83,763	84,222	459	241,980	34.8%	212,167	88,670
18) Marketing & Membership									
General	16,828	19,087	88,479	89,608	1,129	218,355	41.0%	218,766	87,863
Public Relations & Advertising	21,732	17,295	114,958	105,212	(9,746)	270,486	38.9%	282,510	104,839
FAM Membership Services	28,182	27,838	149,001	152,209	3,208	350,362	43.4%	366,366	150,988
Subtotal Personnel	549,882	542,046	2,860,941	2,804,319	(56,622)	7,137,823	39.3%	7,036,338	2,880,747

COFAM FY 1997-98 Operating Budget At November 30, 1997 (5 Months --41.7% Of The Budget Year)

	(1) November		(2) 5-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 11/4/97	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 5 Months
Other Expenses									
19) Curatorial									
Curatorial/Conservation/Education	49,050	62,342	207,595	178,097	(29,498)	618,052	28.8%	616,293	253,717
Publications	1,000	999	36,000	37,513	1,513	84,864	44.2%	68,000	45,250
Exhibit Group	7,417	10,999	33,375	51,610	18,235	80,100	64.4%	89,000	20,816
Exhibit Program	62,426	302,301	566,311	625,207	58,896	1,422,863	43.9%	1,283,121	529,384
20) Development									
Development General	33,275	60,629	252,175	219,617	(32,558)	503,465	43.6%	543,850	132,808
Benefits	40,000	27,144	70,000	53,599	(16,401)	163,000	32.9%	163,000	0
21) Administration									
Administration General	61,387	85,527	276,241	460,760	184,519	881,273	52.3%	736,643	350,685
Operations Group	45,010	54,295	202,545	211,292	8,747	516,731	40.9%	540,120	202,809
Facilities Rental	1,500	1,746	6,500	12,565	6,065	15,975	78.7%	17,750	8,756
Stores	7,000	5,889	44,600	35,392	(9,208)	77,500	45.7%	100,000	61,864
22) Marketing & Membership									
General	9,539	221	41,338	26,515	(14,823)	108,959	24.3%	114,475	48,345
Media Relations & Advertising	57,300	64,271	197,356	180,566	(16,790)	366,720	49.2%	402,200	93,691
FAM Membership Services	49,964	35,416	228,382	220,699	(7,683)	621,700	35.5%	661,022	235,655
Subtotal Other Expenses	424,868	711,779	2,162,418	2,313,432	151,014	5,461,202	42.4%	5,335,474	1,983,780
Total Expenses	974,750	1,253,825	5,023,359	5,117,751	94,392	12,599,025	40.6%	12,371,812	4,864,527
SUPPORT & REVENUE OVER EXPENSES	109,754	(119,992)	(33,431)	41,733	75,164	0	n/a	217,231	273,463
LESS PLANT FUND DEPRECIATION	(25,000)	(25,000)	(125,000)	(125,000)	0	(300,000)	41.7%	(259,500)	(102,975)
	84,754	(144,992)	(158,431)	(83,267)	75,164	(300,000)	n/a	(42,269)	170,488

Annual Contributions Report -- Month Ending November 30, 1997 (41.7% Of The Budget Year)

(1)	(2)			(3)				(4)		
Contribution Categories	Nov. 1997 Budget	Nov. 1997 Actuals	Nov. 1996 Actuals	Year To Date Budget	Year To Date Actuals	Variance to Y-T-D Budget	Prior Year Actuals	Current Year Annual Goals	Revised Current Year Annual Goals	Current Year % of Revised Annual Goals Achieved
1) Associates ($5,000 and up)	100,000	95,000	196,346	335,000	354,062	19,062	371,273	1,400,000	1,450,000	24.4%
2) Patrons ($2,500 - $5,000)	7,500	7,500	6,000	25,000	32,000	7,000	8,750	55,000	75,000	42.7%
3) Friends ($1,000 - $2,500)	40,000	35,256	38,000	145,000	118,095	(26,905)	125,616	450,000	420,000	28.1%
4) National Council/Other	5,000	1,000	7,185	34,000	11,034	(22,966)	21,230	45,000	55,000	20.1%
5) Mail Drive	12,000	4,220	12,403	63,000	58,613	(4,387)	45,160	150,000	125,000	46.9%
6) Phone Campaign	0	0	0	35,000	10,360	(24,640)	0	150,000	125,000	8.3%
7) Business	20,000	110	21,000	75,000	62,364	(12,636)	66,155	150,000	150,000	41.6%
8) Foundations	20,000	29,500	5,000	55,000	45,185	(9,815)	66,595	100,000	100,000	45.2%
	204,500	172,586	285,934	767,000	691,713	(75,287)	704,779	2,500,000	2,500,000	27.7%

Appendix "B" -- Stores Report: 5 Months Ended November 30,1997

	In House Merchandising								Outside Merchandising			
	(1) deYoung Store		(2) Legion Store		(3) Larco Store		(4) Utrecht Store		(5) Wholesale & Royalties		(6) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Sales	300,600	226,669	521,700	377,599	108,000	191,135	171,863	149,370	59,238	55,688	1,161,401	1,000,461
Discounts	(27,054)	(13,029)	(31,302)	(15,848)	(3,240)	(8,548)	(5,156)	(7,065)	0	0	(66,752)	(44,490)
Cost of Goods	(153,306)	(124,519)	(271,284)	(201,621)	(54,000)	(102,279)	(85,932)	(79,186)	(37,191)	(30,287)	(601,712)	(537,892)
Commissions	0	0	0	0	0	0	0	0	(5,150)	0	(5,150)	0
Gross Profit	120,240	89,121	219,114	160,130	50,760	80,308	80,776	63,120	16,897	25,401	487,787	418,079
Personnel Expenses	73,155	73,002	58,117	65,422	5,714	18,156	35,805	33,593	17,947	18,103	190,738	208,277
Other Expenses	15,500	22,612	15,500	3,346	3,400	3,691	10,200	5,743	0	0	44,600	35,392
Total Expenses	88,655	95,614	73,617	68,768	9,114	21,847	46,005	39,336	17,947	18,103	235,338	243,669
Gross Profit Over Expense	31,585	(6,493)	145,497	91,362	41,646	58,461	34,771	23,784	(1,050)	7,298	252,449	174,410
Variance to Year To Date		(38,078)		(54,135)		16,815		(10,987)		8,348		(78,038)

ASSETS		LIABILITIES & FUND BALANCES	
Cash	149,405	Accounts Payable	305,634
Cash Equivalents	3,166,088	Other Accrued Liabilities	3,352,451
Accounts Receivable	3,155,311	Deferred Income - Restricted	1,916,064
Prepaid Expenses	346,699	Deferred Income - Unrestricted	3,219,333
Note Receivable	100,000	Fund Balances	
Inventory - Store	720,805	Unrestricted Fund	2,884,473
Inventory - Publications	426,508	Plant Fund	(2,173,997)
Investment in Bonds	750,000	Revenues over Expenses	(59,852)
Furniture & Equipment (Net)	629,290	(Note 2)	
	9,444,106		9,444,106

COFAM Reserve At 11/30/97 1,646,655

Note 1 -- Reserve Formula		Note 2 -- Revenues over Expenses	
Cash & Cash Equivalents	3,315,493	Operating Revenue over Expenses	41,733
Bonds	750,000	Less Plant Fund	(136,431)
Accounts Receivable	3,155,311	Plus Restricted Funds	34,846
Less Accounts Payable	(305,634)	Less Airport Fund	0
Less Other Accrued Liabilities	(3,352,451)		
Less Deferred Income - Restricted	(1,916,064)	Surplus / (Deficit)	(59,852)
	1,646,655		

ASSETS	
Cash	33,326
Cash Equivalents	3,699,358
Accounts Receivable	3,083,080
Prepaid Expenses	304,881
Note Receivable	100,000
Inventory - Store	744,755
Inventory - Publications	432,875
Investment in Bonds	750,000
Furniture & Equipment (Net)	654,290
	9,802,565

LIABILITIES & FUND BALANCES	
Accounts Payable	431,094
Other Accrued Liabilities	3,332,688
Deferred Income - Restricted	1,927,993
Deferred Income - Unrestricted	3,311,461
Fund Balances	
Unrestricted Fund	2,884,473
Plant Fund	(2,173,997)
Revenues over Expenses (Note 2)	88,853
	9,802,565

COFAM Reserve At 10/31/97	1,873,989

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,732,684
Bonds	750,000
Accounts Receivable	3,083,080
Less Accounts Payable	(431,094)
Less Other Accrued Liabilities	(3,332,688)
Less Deferred Income - Restricted	(1,927,993)
	1,873,989

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	161,724
Less Plant Fund	(104,071)
Plus Restricted Funds	31,200
Less Airport Fund	0
Surplus / (Deficit)	88,853

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CORPORATION OF THE FINE ARTS MUSEUMS

Minutes

Board of Trustees

January 15, 1998

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Call to Order

A meeting of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, January 15, 1998, in the Board Room and Café of the California Palace of the Legion of Honor, Lincoln Park, San Francisco. A quorum was present that being one-third of the number of Trustees in office. The meeting was called to order at 6:01 p.m. by Mrs. Alfred S. Wilsey, Chairman.

Roll Call

The following Trustees were present:

Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
Shirley Breyer Black
Mrs. Philip E. Bowles III
Barbara B. Carleton
Charles Crocker
Belva Davis
Mrs. John V. Erickson
Richard P. Essey
Richard H. Finn
Morgan Flagg
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II, President
Douglas W. Grigg
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Stephen L. Johnson
Leonard E. Kingsley
Diane B. Lloyd-Butler
George M. Marcus
Mrs. Peter McBean

Roll Call (continued)

J. Alec Merriam
Robert A. Mills
Michael E. O'Neill
Mrs. Julian Peabody
Waldemar Rojas
John N. Rosekrans, Jr.
Katharine Doyle Spann
William A. Stimson, Vice President/Finance
Burl A. Toler, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, Chairman
Alfred S. Wilsey

On motion, duly seconded and carried unanimously, the following Trustees were excused:

George McNear Bowles
Robert J. Bransten, Vice President/Collections
Mrs. Ransom S. Cook
Mrs. Ray Dolby, Vice President/Annual Support
Mrs. Lynn C. Fritz
Mrs. Nancy Hamon
Ann L. Johnson, M.D.
Michael W. Michelson
Steven MacGregor Read
William E. Steen
Sidney R. Unobskey
Marshall I. Wais, Sr.
Frank Montgomery Woods

The following ex-officio Trustees were unable to be present:

Mayor Willie L. Brown, Jr.
Eugene Friend, President, Recreation and Park Commission

Other Trustees in attendance were:

Mrs. Agnes Albert
Ruth Asawa
Princess Ranieri di San Faustino
George Hopper Fitch

Roll Call (continued)

Mrs. Leonard E. Kingsley
Mrs. Robert A. Magowan
Mrs. Francis A. Martin
Mrs. J. Alec Merriam
Mrs. W. Robert Phillips
Mrs. Paul L. Wattis
Florence Sue Wong

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

President Goss presided; Mrs. Gough acted as Secretary.

Report of the Chairman - Mrs. Alfred S. Wilsey

There was no business to report.

Report of the President - Richard W. Goss II

A. Consideration and Possible Action to Approve the Minutes of the December 11, 1997 Meeting of the Executive Committee of the Board of Trustees

There being no discussion among the Trustees or members of the public, the minutes of the December 11, 1997 meeting of the Executive Committee of the Board of Trustees, having been mailed in advance to all Trustees, were approved unanimously.

Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of November 30, 1997

Steve Dykes, Deputy Director for Administration and Finance, presented the Operating Budget Report. For the period ending November 30, 1997, the operating budget was $41,733 in the black, primarily due to taking $236,538 into support from two unrestricted bequests, on an exceptional basis, to help achieve a balanced budget by year end. Revenues continued to be down, especially in those areas tied to attendance such as general admissions and store sales. Membership dues were also off. Personnel expenses were somewhat below budget, and other expenses were higher than expected

A. Report on COFAM Operating Budget as of November 30, 1997 (continued)

due to new de Young planning costs in the Administration General line, which were covered by restricted funds. Also, delayed exhibit program expenses caught up to the budget plan and went slightly beyond it.

The COFAM Reserve was $1,646,655 – about $227,000 lower than October. Board policy is to maintain a $2 million reserve.

The 11/4/97 Rolling Forecast is included in the November budget report and was reviewed in detail by the Budget Committee. This re-balancing plan is necessary for two main reasons. First, lost revenues during a weak summer and fall will not be made up during the course of the fiscal year. Second, the Legion will not offset low de Young attendance, despite moving major shows to the Legion in the wake of losing de Young federal indemnification (insurance) on international loan shows, coupled with domestic lender concerns about the building.

The rolling forecast is a plan to get through a very difficult year to give the Museum the time to stabilize its operating finances, given the likelihood in the immediate future of ongoing low attendance at the de Young in the neighborhood of 250,000 annual visitors (about half what it used to be) with Legion attendance around 300,000 generated by an expensive, full exhibit schedule.

B. Authority to Transfer Stock

On motion, duly seconded, the following resolution was unanimously adopted as **Board Resolution 201:**

> RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.
>
> Authorized Individuals:
> Harry S. Parker III
> Stephen E. Dykes, Treasurer
> Barbara Boucke, Deputy Director for Development
> Robert M. Cullison, Controller

C. Authorization to Open Account at Kemper Funds

Mr. Parker presented the following resolution, which was unanimously adopted as **Board Resolution 202.**

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Treasurer and Controller of the Corporation to open an account in the name of the Corporation at the firm of Kemper Funds, for the sole purpose of receiving and selling gifted shares of funds to this Corporation; and be it

FURTHER RESOLVED, That this account remains in full force until rescinded or modified by this Board.

D. Covering Transfer of Shares at Kemper Funds

Mr. Parker presented the following resolution, which was unanimously adopted as **Board Resolution 203.**

RESOLVED, That any one of the following officers and employees of the Corporation of The Fine Arts Museums, to wit:

Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

and he/she is authorized to sell, assign, transfer or dispose of any shares, or other securities now or hereafter owned or held by the Corporation at Kemper Funds; and be it

FURTHER RESOLVED, That any Transfer Agent, Registrar or issuer of funds to whom a copy of this resolution shall be delivered may rely upon this resolution until such time as written notice of any change, amendment or cancellation thereof shall have been received by such Transfer Agent, Registrar or issuer of funds.

Report of the Audit Committee - Michael E. O'Neill, Chair

At its meeting on December 16, 1997, the Audit Committee reviewed the draft Combined Financial Statements for the year ending June 30, 1996 prepared by Coopers & Lybrand. Trustee O'Neill, Chairman of the Audit Committee, introduced William Ritchie and Karen Tilling of Coopers and Lybrand. Mr. Ritchie reported that the audit of the Museums' financial statements

Report of the Audit Committee - Michael E. O'Neill, Chair (continued)

was successfully conducted and resulted in an unqualified audit report with no material findings. Ms. Tilling advised that in fiscal year 1996-97 the Museums' unrestricted operating net assets increased by a surplus of $452,000 and restricted operating net assets increased by $2.7 million primarily due to receipt of restricted contributions for exhibitions and for a new de Young Museum.

On motion, duly seconded and carried unanimously, the following resolution was adopted as **Board Resolution 204.**

WHEREAS, Coopers & Lybrand submitted to the Corporation of The Fine Arts Museums (COFAM) Audit Committee a draft Combined Financial Statement for the year ended June 30, 1997, including COFAM, the Fine Arts Museums Foundation, and the Fine Arts Museums of San Francisco as a department of the City and County of San Francisco; and

WHEREAS, On December 16, 1997, the COFAM Audit Committee reviewed these financial statements and recommended that the COFAM Board of Trustees accept them; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums, upon the recommendation of the COFAM Audit Committee does hereby accept the Coopers & Lybrand Combined Financial Statements of the Fine Arts Museums of San Francisco for the year ending June 30, 1997.

Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

Barbara Boucke, Deputy Director for Development, presented the report of the Annual Support Committee in the absence of Mrs. Ray Dolby, Chair and Vice President. At 1997 year end, the six month unrestricted annual support goal of $1.25 million was met. The twelve month annual support goal of $2.5 million represents approximately 20% of the operating budget. Appreciation was expressed to the Trustees, who are largely responsible for meeting the year-end goal.

The Fine Arts Museums Foundation - Charles Crocker, Foundation President

Trustee Charles Crocker, President of the Fine Arts Museums Foundation, presented the Endowment Fund Report. At the close of business on January 9, 1997, the Endowment Fund portfolio was valued at $58,050,323, representing a 22% gain for 1997. It was invested 62.56% in equities, 35.33% in fixed income, and 2.1 2% in cash and cash equivalents.

Adjournment - Mrs. Alfred S. Wilsey, Chairman

There being no further business, the meeting was adjourned at 6:12 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums
Board of Trustees

Annual Meeting
Thursday, April 9, 1998
3:30 p.m.[1]
Gallery 23
M. H. de Young Memorial Museum
Golden Gate Park
San Francisco, California

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AGENDA

ORDER OF BUSINESS

I. Calling of the Meeting to Order - Richard W. Goss II, Chairman

II. Calling of the Roll

Trustees:

Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
George McNear Bowles
Mrs. Philip E. Bowles III
Mrs. Barbara B. Carleton
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey

[1] Or such earlier time as the Fine Arts Museums of San Francisco Board of Trustees meeting ends, but in no event before 3:30 p.m.

II. Calling of the Role (continued)

Richard H. Finn, Vice President of Finance
Morgan Flagg
Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II, Chairman
Mrs. Nancy Hamon
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Diane B. Lloyd-Butler
Mrs. Peter McBean
Nion McEvoy
J. Alec Merriam, Vice President of Collections
Lorna F. Meyer
Michael W. Michelson
Robert A. Mills
Josie Mooney
Walter S. Newman
Michael E. O'Neill
Steven MacGregor Read, Vice President of Facilities
George R. Roberts
Waldemar Rojas
Gail P. Seneca
William E. Steen
William A. Stimson
Dolores G. Terrazas
Burl A. Toler, Sr.
Sidney R. Unobskey
Carlos Villa
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, President
Alfred S. Wilsey
Frank Montgomery Woods

II. Calling of the Roll (continued)

Absences to be Excused:

Non-Voting Officers:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

There will be an opportunity for public testimony before action is taken on each agenda item.

III. Report of the Chairman - Richard W. Goss II

IV. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the January 15, 1998 Meeting of the Board of Trustees (See Appendix A) See Minutes

B. Consideration and Possible Action to Approve the Minutes of the February 2, 1998 Special Meeting of the Executive Committee of the Board of Trustees (See Appendix B) See Minutes

C. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of February 28, 1998 (See Appendix C)

B. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate

B. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock (continued)

the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

C. Other Informational Items

VI. Report of the Nominating Committee - Frank Montgomery Woods, Chair

A. Consideration and Possible Action to Elect Officers (One Year Term)[2]

Mrs. Alfred S. Wilsey, President
Richard W. Goss II, Chairman
Mrs. Ray Dolby, Vice President of Annual Support
Richard H. Finn, Vice President of Finance
Ms. Frankie Jacobs Gillette, Vice President of Civic Affairs
David M. Jamison, Vice President of Audience Development and Marketing
J. Alec Merriam, Vice President of Finance
Steven MacGregor Read, Vice President of Facilities
Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Judy Gough, Secretary

B. Consideration and Possible Action to Elect COFAM Executive Committee (One Year Term)[3]

Charles Crocker
Michael E. O'Neill

[2] The term for the offices of President and Chairman is three years.
[3] The eight officers and five members of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco also serve on the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums.

C. Consideration and Possible Action to Fix the Number of Trustees Positions

WHEREAS, On June 14, 1990, the Corporation of The Fine Arts Museums By-Laws were amended to provide for a variable number of Trustees; and

WHEREAS, The amendment stated that the authorized number of Trustees shall not be less than thirty-eight and not more than seventy-five, the exact authorized number to be set by the Board from time to time; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby set the number of Trustees at fifty-one until such number is changed by this Board.

VII. Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

VIII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

IX. Reports of Supporting Organizations (Written Reports to be Distributed at Meeting)

A. Achenbach Graphic Arts Council - Marilyn Dougery, Vice-Chair*

B. American Art Study Center Advisory Council - Nancy Boas, Chair*

C. Ancient Hellenic Arts Council - Michael Zagaris, Acting President*

D. Artist Book Council -Emily Marcus, Chair*

E. ArtPoint - Reese Willis, Chair*

F. The Docent Council - Mary Pat Cress, Chair*

G. European Decorative Arts Council - Adolphus Andrews, Jr.* and Mrs. Robert A. Magowan, Co-Chairs

H. Fine Arts Museums Auxiliary - Mrs. Thomas M. Lacey, Chair

1. Bouquets to Art - Mrs. Roderick Forbes, Mrs. Peter O'Hara, and Pat Hanson-Thomson, Co-Chairs*

*Will present verbal report.

VIII. Reports of Supporting Organizations (Written Reports to be Distributed at Meeting - continued)

I. Belvedere-Tiburon Auxiliary - Mrs. Wallace Boyer, Chair

J. East Bay Auxiliary - Mrs. Spencer Brush, Chair

K. Hillsborough Auxiliary - Mrs. Bruce Mathews, Chair

L. Ross Auxiliary - Mrs. Charles Raven Chair*

M. Flower Committee - Mrs. John Adams, Chair

N. National Council - Mrs. Harry H. Wetzel* and Samuel D. Williams, Co-Chairs

O. San Francisco Ceramic Circle - Colin Knight, President

P. Textile Arts Council - Peggy Gordon, Chair*

Q. Twentieth Century Art Council - Lindsay Joost and Michael Wilsey, Co-chairs

R. Volunteer Council - Josephine Staub, Chair, Steering Committee*

IX. Adjournment - Richard W. Goss II, Chairman

*Will present verbal report

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Note: The Annual Meeting of The Fine Arts Museums Foundation will immediately follow. And, a reception celebrating the opening of Behind the Totem Pole: Resource Center for Education will take place at the conclusion of the three Annual Meetings.

Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats and
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to a meeting. A late request will be honored if possible. Minutes of the meeting will be made in alternative formats upon request.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The MUNI's wheelchair-accessible No. 44 line (south bound) stops in front of the de Young Museum. The No. 44 line (north bound) stops in front of the Academy of Sciences. For access to the de Young Museum by BART from the East Bay, get off at the New Montgomery Station. Take MUNI's No. 38 line (Geary) to 6th Avenue and transfer to the No. 44 line (O'Shaughnessy). For access to the de Young Museum by BART from Daly City, get off at the Civic Center Station. Take MUNI's No. 71 line (outbound) and transfer at 6th Avenue at Lincoln Way to the No. 44 line (O'Shaughnessy).

There is accessible parking spaces (disabled-designated) available at the following locations: a) the de Young Museum parking lot (driveway access at 10th Avenue and Kennedy Drive); and b) the Music Concourse area, east end (access from Tea Garden Drive).

Accessible seating for persons with disabilities (including those using wheelchairs) will be available. For Telecommunication Device for the Deaf (TDD), the Museums use the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

If you are unable to attend the meeting, you may submit written comments to Judy Gough, Fine Arts Museums of San Francisco, 233 Post Street, 6th Floor, San Francisco, CA, 94108.

COFAM Operating Budget Report
February 28, 1998

Overview

On February 28th, the operating budget was $316,150 in the black, primarily due to taking $266,538 into support from two unrestricted bequests to help achieve a balanced budget by year end. Revenues continued to be down, especially in those areas tied to attendance such as general admissions and store sales. Membership dues were also off. Personnel expenses were close to budget, and other expenses were higher than original expectations largely because of New de Young planning costs, which were covered by restricted funds. Note that other expenses included a $200,000 unbudgeted contribution from COFAM to the Committee to Rebuild the de Young Museum in Golden Gate Park.

The COFAM Reserve was $2,075,986. Board policy is to maintain a $2 million reserve.

Rolling Forecast To Re-Balance The Budget

The Rolling Forecast is included in the budget report as column three. This re-balancing plan was reviewed by the Budget Committee last November. It was necessary for two reasons. Lost revenues during a weak summer and fall will not be made up during the course of the fiscal year. Second, the number of Legion visitors will not offset low de Young attendance, despite moving major shows to the Legion in the wake of losing de Young federal indemnification (insurance) on international loan shows, coupled with domestic lender concerns about the building.

-- over --

Besides taking unrestricted bequest money into the operating budget on an exceptional basis, the rolling forecast cut general admissions revenue, store gross profit, and member dues for a total reduction of $805,000. Facility rental proceeds were taken up by $100,000. Personnel and other expenses were re-calculated, taking 10% other expense cuts where possible. The result is an extremely tight budget, which is working so far.

Comments On The February Numbers

Support and Revenue: Annual Contributions were $160,999 ahead of budget with gains in Associates and Patrons donations. (See Appendix "A" page 5 for details.) The use of specified funds is high because of New de Young contributions to pay for planning expenses. Revenue lines affected by declining attendance, as well as the one-time use of unrestricted bequests as operating income are discussed above. Benefits income was up smartly, thanks to the success of the Vocal Minority's musical review "A Pigment of Your Imagination".

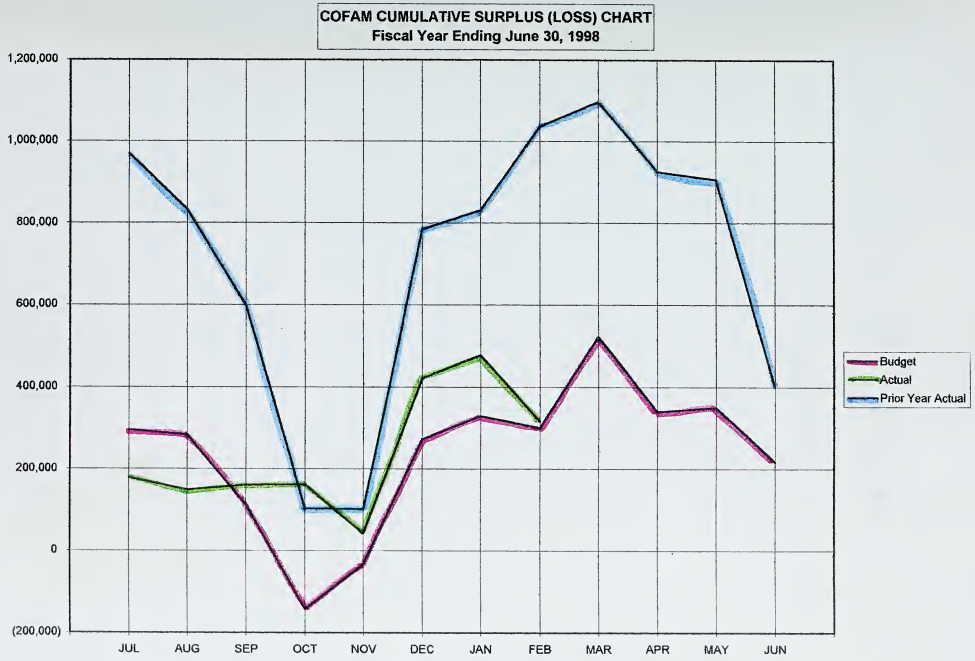
Expenses: Personnel expenses ran slightly ahead of the original budget but were well in line with the rolling forecast. Other expenses were $271,958 more than budget due mainly to the previously discussed de Young planning costs, which were covered with restricted contributions.

# # #

brept
04/02/98
@ 1:49pm

COFAM Operating Budget Report for the Month Ended February 28, 1998

	Page
Cumulative Surplus (Loss) Chart	i
Budget-In-Brief	1
Annual Contributions – Appendix "A"	5
Stores Report – Appendix "B"	6
Balance Sheets	7


COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal Year Ending June 30, 1998
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
(200,000)
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
Budget
Actual
Prior Year Actual

COFAM FY 1997-98 Operating Budget At February 28, 1998 (8 Months --66.7% Of The Budget Year)

	(1) February		(2) 8-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 2/3/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 8 Months
SUPPORT & REVENUE									
Support									
1) Annual Contributions	100,000	242,804	1,586,500	1,747,499	160,999	2,500,000	69.9%	2,500,000	1,715,030
2) Bequests	0	0	0	266,538	266,538	236,537	112.7%	0	128,920
3) Foundation Endowment Support	92,128	92,128	737,024	737,024	0	1,105,534	66.7%	1,105,534	657,920
4) Specified Funds									
--Curatorial/Conservation	22,264	50,339	203,109	263,428	60,319	443,987	59.3%	319,100	216,999
--Achenbach Collection Mgmt. Project	0	0	0	0	0	0	0.0%	0	10,103
--Publications	5,000	0	43,000	38,514	(4,486)	84,864	45.4%	68,000	47,250
--Exhibition Funds Secured	18,000	8,005	149,715	153,962	4,247	387,371	39.7%	232,371	479,029
--Exhibition Funds To Be Raised	10,000	0	60,000	0	(60,000)	100,000	0.0%	100,000	0
--Education Programs	7,850	39,211	134,440	157,290	22,850	292,849	53.7%	271,000	124,240
--New DeYoung Planning	0	88,944	0	401,947	401,947	426,102	94.3%	40,000	0
--General	2,500	16,511	55,000	52,449	(2,551)	25,000	209.8%	25,000	70,748
5) COFAM Investment Income	16,000	11,083	97,000	82,184	(14,816)	140,000	58.7%	140,000	94,862
Subtotal Support	273,742	549,025	3,065,788	3,900,835	835,047	5,742,244	67.9%	4,801,005	3,545,101

	(1) February		(2) 8-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 2/3/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 8 Months
Revenue									
6) Museum Store Sales	241,415	208,949	1,681,210	1,508,877	(172,333)	1,803,524	83.7%	2,492,955	2,025,326
Less Discounts	(14,716)	(9,378)	(97,966)	(70,035)	27,931	(86,842)	80.6%	(149,660)	(92,031)
Less Cost of Goods	(124,922)	(136,845)	(873,233)	(838,334)	34,899	(954,694)	87.8%	(1,299,447)	(1,008,286)
Less Commissions	(1,288)	0	(9,012)	(746)	8,266	(15,449)	4.8%	(15,449)	(4,836)
Gross Profit	100,489	62,726	700,999	599,762	(101,237)	746,540	80.3%	1,028,399	920,173
7) Facilities Rental Gross	65,000	12,600	500,000	421,871	(78,129)	800,000	52.7%	700,000	375,533
8) Benefits Gross Income	0	17,475	145,000	235,025	90,025	245,000	95.9%	245,000	30,157
9) General Admissions COFAM Net	151,405	131,997	1,211,924	1,018,190	(193,734)	1,459,152	69.8%	1,881,750	1,205,477
10) Food & Beverage Concession Fees	13,635	10,557	103,532	102,009	(1,523)	155,971	65.4%	159,884	111,128
11) Exhibition Program Earned Income	72,225	16,426	336,425	346,865	10,440	338,146	102.6%	375,175	417,443
12)FAM Membership Dues	250,061	217,456	1,679,985	1,549,933	(130,052)	2,522,240	61.5%	2,622,240	1,574,179
13) Conservation Services	21,189	26,298	158,919	165,877	6,958	270,383	61.3%	254,270	129,079
14) Miscellaneous									
--Development Trip Fees	20,000	1,250	120,000	109,760	(10,240)	140,000	78.4%	140,000	75,920
--Other Fees	31,777	29,412	238,325	312,473	74,148	505,452	61.8%	381,320	472,933
Subtotal Revenue	725,781	526,197	5,195,109	4,861,765	(333,344)	7,182,884	67.7%	7,788,038	5,312,022
Total Support & Revenue	999,523	1,075,222	8,260,897	8,762,600	501,703	12,925,127	67.8%	12,589,043	8,857,123

Museum Attendance:

February 1998: 59,110 visitors, 43.40 paid, budgeted - 82,500 visitors, 45% paid.
Year to Date: 473,674 visitors, 45.1% paid, budgeted - 550,000, 45% paid.

Membership:

Year to date: 28,284 dues paid members averaging $54.80 per member
compared to budgeted goals of 30,752 dues paid members averaging $54.63 per member
Current active paying members = 45,796

	(1) February		(2) 8-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 2/3/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 8 Months
EXPENSES									
Personnel Expenses									
15) Curatorial									
Curatorial/Conservation/Education	174,062	181,849	1,431,041	1,441,454	10,413	2,264,417	63.7%	2,262,805	1,408,824
Project Funded Term Employees	33,751	32,825	286,882	252,278	(34,604)	517,761	48.7%	438,761	290,664
Exhibit Group	62,633	61,408	516,011	477,306	(38,705)	804,664	59.3%	814,231	472,613
Exhibit Program Temporary Labor	22,300	19,650	126,160	101,524	(24,636)	173,814	58.4%	173,814	165,440
16) Development	36,693	41,135	303,540	323,848	20,309	481,562	67.2%	477,009	302,168
17) Administration									
Administratron General	87,610	89,602	728,913	714,515	(14,398)	1,141,886	62.6%	1,138,927	675,994
New DeYoung Planning	0	10,329	0	108,753	108,753	166,102	65.5%	0	0
Operations Group	15,641	16,015	130,384	127,373	(3,011)	203,146	62.7%	203,335	128,844
Stores	41,714	35,547	296,971	313,583	16,612	469,390	66.8%	447,647	321,328
Facilities Rental	16,321	17,458	132,725	126,435	(6,290)	241,980	52.3%	212,167	112,237
18) Marketing & Membership									
General	16,828	18,256	138,963	141,764	2,801	218,355	64.9%	218,766	136,838
Public Relations & Advertising	21,732	20,474	180,153	163,145	(17,008)	270,486	60.3%	282,510	165,693
FAM Membership Services	28,182	22,464	233,547	227,470	(6,077)	350,362	64.9%	366,366	235,325
Subtotal Personnel	557,466	567,012	4,505,290	4,519,448	14,158	7,303,925	61.9%	7,036,338	4,415,966

COFAM FY 1997-98 Operating Budget At February 28, 1998 (8 Months --66.7% Of The Budget Year)

	(1) February		(2) 8-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 2/3/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 8 Months
Other Expenses									
19) Curatorial									
Curatorial/Conservation/Education	68,850	52,241	381,546	324,647	(56,899)	618,052	52.5%	616,293	359,532
Publications	5,000	0	43,000	38,514	(4,486)	84,864	45.4%	68,000	47,250
Exhibit Group	7,417	3,018	55,625	74,089	18,464	80,100	92.5%	89,000	37,509
Exhibit Program	130,750	82,672	913,986	906,204	(7,782)	1,422,863	63.7%	1,283,121	885,208
20) Development									
Development General	58,575	60,274	338,450	344,269	5,819	503,465	68.4%	543,850	248,193
Benefits	8,000	25,014	93,000	82,591	(10,409)	163,000	50.7%	163,000	37,656
21) Administration									
Administration General	57,387	44,796	434,402	503,675	69,273	781,273	64.5%	698,643	543,260
New DeYoung Planning	4,000	78,615	26,000	293,193	267,193	260,000	112.8%	0	0
Operations Group	45,010	46,580	337,575	354,439	16,864	516,731	68.6%	540,120	333,268
Facilities Rental	1,500	831	11,000	20,439	9,439	15,975	127.9%	17,750	20,314
Stores	9,000	5,600	69,100	53,725	(15,375)	77,500	69.3%	100,000	83,042
22) Marketing & Membership									
General	9,540	13,387	69,957	58,849	(11,108)	108,959	54.0%	114,475	59,831
Media Relations & Advertising	22,300	45,122	283,256	245,602	(37,654)	366,720	67.0%	402,200	197,918
FAM Membership Services	43,937	12,348	398,147	426,766	28,619	621,700	68.6%	661,022	379,434
Subtotal Other Expenses	471,266	470,498	3,455,044	3,727,002	271,958	5,621,202	66.3%	5,295,474	3,232,415
Total Expenses	1,028,732	1,037,510	7,960,334	8,246,450	286,116	12,925,127	63.8%	12,331,812	7,648,381
SUPPORT & REVENUE OVER EXPENSES	(29,209)	37,712	300,563	516,150	215,587	0	n/a	257,231	1,208,742
LESS COFAM SUPPORT OF BOND MEASUR	0	(200,000)	0	(200,000)	(200,000)			0	(172,000)
SUPPORT & REVENUE OVER EXPENSES	(29,209)	(162,288)	300,563	316,150	15,587	0		257,231	1,036,742
LESS PLANT FUND DEPRECIATION	(25,000)	(25,000)	(200,000)	(200,000)	0	(300,000)	66.7%	(259,500)	(164,760)
	(54,209)	(187,288)	100,563	116,150	15,587	(300,000)	n/a	(2,269)	871,982

Annual Contributions Report -- Month Ending February 28, 1998 (66.7% Of The Budget Year)

(1)	(2)			(3)				(4)		
Contribution Categories	Feb. 1998 Budget	Feb. 1998 Actuals	Feb. 1997 Actuals	Year To Date Budget	Year To Date Actuals	Variance to Y-T-D Budget	Prior Year Actuals	Current Year Annual Goals	Revised Current Year Annual Goals	Current Year % of Revised Annual Goals Achieved
1) Associates ($5,000 and up)	40,000	153,537	119,065	875,000	1,022,720	147,720	1,073,411	1,400,000	1,450,000	70.5%
2) Patrons ($2,500 - $5,000)	5,000	12,991	5,501	47,500	82,817	35,317	36,208	55,000	75,000	110.4%
3) Friends ($1,000 - $2,500)	30,000	36,405	37,320	275,000	261,048	(13,952)	278,686	450,000	420,000	62.2%
4) National Council/Other	10,000	2,217	3,850	50,000	35,250	(14,750)	39,835	45,000	55,000	64.1%
5) Mail Drive	0	4,774	3,524	119,000	138,551	19,551	103,505	150,000	125,000	110.8%
6) Phone Campaign	0	0	0	35,000	10,360	(24,640)	0	150,000	125,000	8.3%
7) Business	10,000	5,380	6,945	105,000	108,857	3,857	96,075	150,000	150,000	72.6%
8) Foundations	5,000	27,500	1,000	80,000	87,896	7,896	87,310	100,000	100,000	87.9%
	100,000	242,804	177,205	1,586,500	1,747,499	160,999	1,715,030	2,500,000	2,500,000	69.9%

Appendix "B" -- Stores Report: 8 Months Ended February 28,1998

In House Merchandising ..... Outside Merchandising .....

	(1) deYoung Store		(2) Legion Store		(3) Wholesale & Royalties	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	484,300	397,966	719,100	560,279	103,363	67,541
Discounts	(43,587)	(25,115)	(43,146)	(24,163)		
Cost of Goods	(246,993)	(241,568)	(373,932)	(299,284)	(65,084)	(36,902)
Commissions	0	0	0	0	(9,012)	(746)
Gross Profit	193,720	131,283	302,022	236,832	29,267	29,893
Personnel Expenses	117,227	112,466	91,579	103,342	27,737	28,064
Other Expenses	26,000	36,528	25,000	5,290	0	0
Total Expenses	143,227	148,994	116,579	108,632	27,737	28,064
Gross Profit Over Expens	50,493	(17,711)	185,443	128,200	1,530	1,829
Variance to Year To Date		(68,204)		(57,243)		300

Exhibition Merchandising .....

	(4) Larco Store		(5) Utrecht Store		(6) Harlem Store		(7) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Sales	108,000	191,135	171,863	149,370	94,585	142,586	1,681,210	1,508,877
Discounts	(3,240)	(8,548)	(5,156)	(7,065)	(2,838)	(5,144)	(97,966)	(70,035)
Cost of Goods	(54,000)	(102,279)	(85,932)	(79,186)	(47,292)	(79,115)	(873,233)	(838,334)
Commissions	0	0	0	0	0	0	(9,012)	(746)
Gross Profit	50,760	80,308	80,776	63,120	44,455	58,327	700,999	599,762
Personnel Expenses	5,714	18,156	35,805	40,212	18,909	11,343	296,971	313,583
Other Expenses	3,400	3,691	10,200	7,119	4,500	1,097	69,100	53,725
Total Expenses	9,114	21,847	46,005	47,331	23,409	12,440	366,071	367,308
Gross Profit Over Expens	41,646	58,461	34,771	15,789	21,046	45,887	334,928	232,454
Variance to Year To Date		16,815		(18,982)		24,841		(102,474)

ASSETS	
Cash	480,353
Cash Equivalents	3,248,257
Accounts Receivable	2,992,585
Prepaid Expenses	339,230
Note Receivable	100,000
Inventory - Store	712,945
Inventory - Publications	485,249
Investment in Bonds	750,000
Furniture & Equipment (Net)	554,290
	9,662,909

LIABILITIES & FUND BALANCES	
Accounts Payable	445,960
Other Accrued Liabilities	3,272,174
Deferred Income - Restricted	1,677,075
Deferred Income - Unrestricted	3,206,112
Fund Balances	0
Unrestricted Fund	2,884,473
Plant Fund	(2,173,997)
Revenues over Expenses (Note 2)	351,112
	9,662,909

COFAM Reserve At 2/28/98	2,075,986

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,728,610
Bonds	750,000
Accounts Receivable	2,992,585
Less Accounts Payable	(445,960)
Less Other Accrued Liabilities	(3,272,174)
Less Deferred Income - Restricted	(1,677,075)
	2,075,986

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	316,151
Less Plant Fund	(240,934)
Plus Restricted Funds	275,895
Less Airport Fund	
Surplus / (Deficit)	351,112

ASSETS		LIABILITIES & FUND BALANCES	
Cash	475,373	Accounts Payable	306,916
Cash Equivalents	3,506,902	Other Accrued Liabilities	3,250,422
Accounts Receivable	2,994,242	Deferred Income - Restricted	1,978,168
Prepaid Expenses	339,721	Deferred Income - Unrestricted	3,293,901
Note Receivable	100,000	Fund Balances	
Inventory - Store	760,526	Unrestricted Fund	2,884,473
Inventory - Publications	484,976	Plant Fund	(2,173,997)
Investment in Bonds	750,000	Revenues over Expenses	451,147
Furniture & Equipment (Net)	579,290	(Note 2)	
	9,991,030		9,991,030

COFAM Reserve At 1/31/98	2,191,011

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,982,275
Bonds	750,000
Accounts Receivable	2,994,242
Less Accounts Payable	(306,916)
Less Other Accrued Liabilities	(3,250,422)
Less Deferred Income - Restricted	(1,978,168)
	2,191,011

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	478,438
Less Plant Fund	(211,069)
Plus Restricted Funds	183,778
Less Airport Fund	0
Surplus / (Deficit)	451,147

Order of Business

Members Meeting of The Fine Arts Museums Foundation

ANNUAL MEETING

Gallery 23
M. H. de Young Memorial Museum
Golden Gate Park
San Francisco, CA
Thursday, **April 9, 1998**
Time: 4:15 p.m. or such earlier time as the FAMSF Board of Trustees and the COFAM Board of Trustees meetings end, but in no event before **3:00 p.m.**

Calling of the Meeting to Order by the Foundation President, Charles Crocker

Calling of the Roll:

Members:
Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
George McNear Bowles
Mrs. Philip E. Bowles III
Barbara B. Carleton
Belva Davis
Mrs. Ray Dolby
Richard P. Essey
Richard H. Finn
Morgan Flagg
Mara Fritz
Ms. Frankie Jacobs Gillette
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II
Mrs. Nancy Hamon
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison
Ann L. Johnson, M.D.
Stephen L. Johnson
Diane B. Lloyd-Butler
Mrs. Peter McBean
Nion McEvoy

J. Alec Merriam
orna F. Meyer
Michael W. Michelson
Josie Mooney
Michael E. O'Neill
Steven MacGregor Read
Waldemar Rojas
William E. Steen
Dolores G. Terrazas
Burl A. Toler, Sr.
Sidney R. Unobskey
Carlos Villa
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey
Frank Montgomery Woods

Approval of Minutes - The eleventh meeting of the members on April 10, 1997 (annual meeting) - copies were mailed shortly after the meeting, and are also attached.

APPROVED____

Report by President Charles Crocker on the Financial Condition and Operation of the Foundation.

Election of Trustees:

Trustees for Reelection -

Charles Crocker	(third term)
Robert A. Mills	(third term)

ELECTED_____

The term for each position is three years and will expire in April 2001.

Trustees may succeed themselves in office; provided, however that no Trustee may be elected for more than three (3) consecutive terms.

The Foundation Board consists of 9 Trustee positions, which include an ex-officio voting position for the President of the Board of Trustees of the Corporation of The Fine Arts Museums.

Other Trustee members are:

	Term Expires
Mrs. Alfred S. Wilsey	Ex-officio member
Leonard E. Kingsley	April 1999 (second term)
Walter S. Newman	April 2000 (third term)

George R. Roberts	April 1999 (first term)
ail P. Seneca	April 2000 (first term)
William A. Stimson	April 2000 (third term)
Alfred S. Wilsey	April 1999 (second term)

Ratification of the Selection of Coopers & Lybrand as Outside Independent Auditors of the Foundation for Fiscal Year 1996-97.

RESOLVED, That the membership of The Fine Arts Museums Foundation does hereby ratify the selection of Coopers & Lybrand as this Corporation's independent public accountant for Fiscal Year 1996-97.

RATIFICATION____

Other Business

Adjournment

12AMEMMF.A98

The eleventh meeting of the members of The Fine Arts Museums Foundation was held in Gallery 23 at the M. H. de Young Memorial Museum on Thursday, April 10, 1997 at 5:25 p.m. The notice of the annual meeting of members was sent to each member on April 4, 1997.

Roll Call - Members present:

Alvin H. Baum, Jr.
Alix Phillips Becker
Shirley Breyer Black
George McNear Bowles
Mrs. Philip E. Bowles III
Robert J. Bransten
Mrs. Barbara B. Carleton
Mrs. Ransom S. Cook
Belva Davis
Mrs. Ray Dolby
Mrs. John V. Erickson
Richard P. Essey
Ms. Frankie Jacobs Gillette
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison
Ann L. Johnson, M.D.
Stephen L. Johnson
Diane B. Lloyd-Butler
George M. Marcus
Mrs. Peter McBean
Nion McEvoy
J. Alec Merriam
Michael E. O'Neill
Mrs. Julian Peabody
Steven MacGregor Read
Katharine Doyle Spann
William E. Steen
Burl A. Toler, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey
Frank Montgomery Woods

Members Absent

Richard H. Finn
Morgan Flagg
Mrs. Lynn C. Fritz
Douglas W. Grigg
Mrs. Nancy Hamon
Alexander R. Mehran
Michael W. Michelson
Kenneth Rainin
Waldemar Rojas
John N. Rosekrans, Jr.
Sidney R. Unobskey
Marshall I. Wais, Sr.

In President Crocker's absence, Richard W. Goss II, chaired the membership meeting. Michele Gutierrez served as Secretary. A quorum (of at least fifteen) was present.

Membership - The Fine Arts Museums Foundation membership is made up of the voting members of the Board of Trustees of The Fine Arts Museums of San Francisco, excluding the two ex-officio members: the Mayor and the President of the Recreation and Park Commission.

Minutes Approved - The minutes of the tenth members' meeting of April 11, 1996, were unanimously approved, having been mailed to all members shortly after the meeting and also on April 4, 1997 with the membership meeting notice.

Financial Condition and Operations of the Foundation

The Fine Arts Museums Foundation is a California non-profit corporation, organized to invest the endowment and certain restricted funds of The Fine Arts Museums. The Foundation also serves as the Investment Committee of COFAM. The Foundation Trustees meet quarterly, primarily to review the performance of the managers of the Endowment Fund.

The market value of the Endowment Fund at the close of business on March 31, 1997 was $49,998,459.

The Foundation continues it's policy to use a total return investment strategy, emphasizing long-term growth and capital appreciation. The Foundation's distribution policy is based on a twenty-four month rolling average value, calculated at the end of each quarter. The rate used for Fiscal Year 1996-97 is 4.25% with .25% to cover Foundation operating expenses and 4% museum support.

Election of Trustees

Mr. Kingsley reported that the Foundation Trustees submitted their Trustee nominations

to the membership for election. He made the following nomination report for the Fine Arts Museums Foundation Trustee positions:

Trustees for Re-Election

Walter S. Newman	(third term)
Gail P. Seneca	(first term)
William A. Stimson	(third term)

On motion, duly seconded and carried unanimously, the nominees were reelected as Foundation Trustees.

The term for each position is for three years to expire in April 2000 unless otherwise noted. Trustees may succeed themselves in office; provided, however, that no Trustee may be elected for more than three consecutive terms. The Foundation Board consists of nine Trustee positions, including an ex-officio voting position for the President of the Board of Trustees of the Corporation of The Fine Arts Museums. Trustee members are:

Trustees	Term Expires
Charles Crocker	April 1998 (second term)
Richard W. Goss II	Ex-Officio member
Leonard E. Kingsley	April 1999 (second term)
Robert Mills	April 1998 (second term)
George R. Roberts	April 1999 (first term)
Alfred S. Wilsey	April 1999 (second term)

Ratification of the Selection of Coopers & Lybrand as Outside Independent Auditors of the Foundation for Fiscal Year 1995-96.

Mr. Goss presented the following resolution, which was unanimously adopted as **RESOLUTION NUMBER 10**:

RESOLVED, That the membership of The Fine Arts Museums Foundation does hereby ratify the selection of Coopers & Lybrand as this Corporation's independent public accountant for Fiscal Year 1995-1996.

Adjournment - There being no further business, the meeting was adjourned at 5:30 p.m.

Submitted by
Michele Gutierrez
Secretary to the Foundation

[M. minutes]

CORPORATION OF THE FINE ARTS MUSEUMS

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4/9/98

Board of Trustees
Annual Meeting

April 9, 1998

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Call to Order

The annual meeting of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, April 9, 1998, in Gallery 23 of the M. H. de Young Memorial Museum, Golden Gate Park, San Francisco. A quorum was present that being one-third of the number of Trustees in office. The meeting was called to order at 5:05 p.m. by Richard W. Goss II, Chairman.

Roll Call

The following Trustees were present:

Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
Mrs. Philip E. Bowles III
Mrs. Barbara B. Carleton
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President of Finance
Morgan Flagg
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Mrs. Richard Goodyear
Richard W. Goss II, Chairman
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Mrs. Peter McBean
J. Alec Merriam, Vice President of Collections
Lorna F. Meyer
Josie Mooney
Steven MacGregor Read, Vice President of Facilities
Gail P. Seneca
William E. Steen
Dolores G. Terrazas
Sidney R. Unobskey
Carlos Pedro Villa

Roll Call (continued)

Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, President
Alfred S. Wilsey
Frank Montgomery Woods

On motion, duly seconded and carried unanimously, the following Trustees were excused:

George McNear Bowles
Mrs. Lynn C. Fritz
Richard N. Goldman
Mrs. Nancy Hamon
David R. Hoyer
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard Kingsley
Diane B. Lloyd-Butler
Nion McEvoy
Michael W. Michelson
Robert A. Mills
Walter S. Newman
Michael E. O'Neill
George R. Roberts
Waldemar Rojas
William A. Stimson
Burl A. Toler, Sr.
Marshall I. Wais, Sr.

Other Trustees in attendance were:

Ruth Asawa
Shirley Breyer Black
Robert J. Bransten
Mrs. Ransom S. Cook
Mrs. John V. Erickson
George Hopper Fitch
Douglas W. Grigg
Mrs. Jerrold L. Kingsley
Mrs. Leonard E. Kingsley
Mrs. William B. MacColl, Jr.
George M. Marcus

Roll Call (continued)

Mrs. J. Alec Merriam
Mrs. Julian Peabody
Mrs. W. Robert Phillips
Katharine Doyle Spann
Florence Sue Wong

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

President Wilsey presided; Mrs. Gough acted as Secretary.

Report of the Chairman - Richard W. Goss II

There was no business to report.

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the January 15, 1998 Meeting of the Board of Trustees

There being no discussion among the Trustees or members of the public, the minutes of the January 15, 1998 meeting of the Board of Trustees, having been mailed in advance to all Trustees, were approved unanimously.

B. Consideration and Possible Action to Approve the Minutes of the February 2, 1998 Special Meeting of the Executive Committee of the Board of Trustees

There being no discussion among the Trustees or members of the public, the minutes of the February 2, 1998 special meeting of the Executive Committee of the Board of Trustees, having been mailed in advance to all Trustees, were approved unanimously.

Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of February 28, 1998

Steve Dykes, Deputy Director for Administration and Finance, presented the Operating Budget Report. For the period ending February 28, 1998, the operating

A. Report on COFAM Operating Budget as of February 28, 1998 (continued)

budget was $316,150 in the black, primarily due to taking $266,538 into support from two unrestricted bequests, on an exceptional basis, to help achieve a balanced budget by year end. Revenues continued to be down, especially in those areas tied to attendance such as general admissions and store sales. Membership dues were also off. Personnel expenses were close to budget, and other expenses were higher than original expectations largely because of New de Young planning costs, which were covered by restricted funds. Note that other expenses included a $200,000 unbudgeted contribution from COFAM to the Committee to Rebuild the de Young Museum in Golden Gate Park.

The COFAM Reserve was $2,075,986. Board policy is to maintain a $2 million reserve.

The Rolling Forecast is included in the budget report as column three. This re-balancing plan was reviewed by the Budget Committee last November. It was necessary for two reasons. Lost revenues during a weak summer and fall will not be made up during the course of the fiscal year. Second, the number of Legion visitors will not offset low de Young attendance, despite moving major shows to the Legion in the wake of losing de Young federal indemnification (insurance) on international loan shows, coupled with domestic lender concerns about the building.

Besides taking unrestricted bequest money into the operating budget on an exceptional basis, the rolling forecast cut general admissions revenue, store gross profit, and member dues for a total reduction of $805,000. Facility rental proceeds were taken up by $100,000. Personnel and other expenses were re-calculated, taking 10% other expense cuts were possible. The result is an extremely tight budget, which is working so far.

B. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock

On motion, duly seconded, the following resolution was unanimously adopted as **Board Resolution 207:**

> RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

B. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock (continued)

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

Report of the Nominating Committee - Frank Montgomery Woods, Chair

A. Consideration and Possible Action to Elect Officers

The Nominating Committee has recommended the following as Officers of the Corporation of The Fine Arts Museums:

Mrs. Alfred S. Wilsey, President
Richard W. Goss II, Chairman
Mrs. Ray Dolby, Vice President of Annual Support
Richard H. Finn, Vice President of Finance
Ms. Frankie Jacobs Gillette, Vice President of Civic Affairs
David M. Jamison, Vice President of Audience Development and Marketing
J. Alec Merriam, Vice President of Collections
Steven MacGregor Read, Vice President of Facilities
Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

On motion, duly seconded, there was no discussion among the Trustees. There was no public testimony. The Board of Trustees voted unanimously to elect the President and Chairman to three year terms to expire in April 2001 and all other officers to one year terms to expire in April 1999.

B. Consideration and Possible Action to Elect COFAM Executive Committee

The nominees for election to the COFAM Executive Committee were:

Charles Crocker
Michael E. O'Neill

On motion, duly seconded, there was no discussion among the Trustees. There was no public testimony. The Board of Trustees voted unanimously to elect the nominees to one year terms to expire in April 1999.

B. Consideration and Possible Action to Elect COFAM Executive Committee (continued)

The eight officers (President, Chairman, and six Vice Presidents), the five elected members of the FAMSF Executive Committee, and the two elected members of the COFAM Executive Committee shall comprise the COFAM Executive Committee.

C. Consideration and Possible Action to Fix the Number of Trustees Positions

Trustee Woods presented the following resolution:

WHEREAS, On June 14, 1990, the Corporation of The Fine Arts Museums Bylaws were amended to provide for a variable number of Trustees; and

WHEREAS, The amendment stated that the authorized number of Trustees shall not be less than thirty-eight and not more than seventy-five, the exact authorized number to be set by the Board from time to time; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby set the number of Trustees at fifty-one until such number is changed by this Board.

On motion, duly seconded, there was no discussion among the Trustees. There was no public testimony. The Board of Trustees voted unanimously to adopt the above resolution as **Board Resolution 208.**

Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

Trustee Dolby reported that over 400 major donors attended the Annual Luncheon at the de Young Museum on Tuesday, April 7, 1998. Ms. Katharine Doyle Spann and Mrs. Harry H. Wetzel have co-chaired the Associates this past year. The Associates contribute a minimum of $5,000 annually and have grown by about 10% to 139 members. A new $50,000 Associates membership category has been created, which currently totals 11 members. The Patrons, chaired by Mrs. Richard Goodyear, contribute $2,500 per year and has increased to 40 members. Mrs. Philip E. Bowles and Mrs. Thomas P. Rohlen co-chaired the Friends, who donate $1,000 annually and number almost 500 members. There are currently 25 corporations contributing a minimum of $10,000 annually and 39 corporations which have made a $1,000 commitment per year to support exhibitions and museum programs. The Corporate Annual Support Committee is chaired by Richard H. Finn. Gina Tan assumed the position of Director of Membership and Annual Fund effective March 30, 1998. Museum membership currently totals 47,000 members.

Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President (continued)

Approximately 70% of the annual contributions goal of $2.5 million for operating budget support has been reached. Trustee Dolby thanked the Trustees, who are largely responsible for this result, and encouraged their ongoing support in meeting the $2.5 million fund-raising goal by fiscal year end on June 30, 1998.

Report of the Fine Arts Museums Foundation - Charles Crocker, President

Trustee Charles Crocker, President of the Fine Arts Museums Foundation, presented the Endowment Fund Report. At the close of business on April 3, 1998, the Endowment Fund portfolio was valued at $65,688,087. It was invested 67.83% in equities, 31.53% in fixed income, and .64% in cash and cash equivalents.

Reports of Supporting Organizations

As is customary at the annual meeting, representatives of the supporting organizations of the Fine Arts Museums of San Francisco presented verbal or written reports. Written reports submitted to the Board of Trustees are attached as Appendix I for the record. The supporting organizations are noted as follows:

A. Achenbach Graphic Arts Council - Nancy Constine, Chair

B. American Art Study Center Advisory Council - Nancy Boas, Chair*

C. Ancient Hellenic Arts Council - Michael Zagaris, Acting President*

D. Artist Book Council - Emily Marcus, Chair*

E. ArtPoint - Reese Willis, Chair*

F. The Docent Council - Mary Pat Cress, Chair*

G. European Decorative Arts Council - Adolphus Andrews, Jr.* and Mrs. Robert A. Magowan, Co-Chairs

H. Fine Arts Museums Auxiliary - Mrs. Thomas M. Lacey, Chair

1. Bouquets to Art - Mrs. Roderick Forbes, Mrs. Peter O'Hara, and Pat Hanson-Thomson, Co-Chairs*

*Presented a verbal report.

Reports of Supporting Organizations (continued)

I. Belvedere-Tiburon Auxiliary - Mrs. Wallace Boyer, Chair

J. East Bay Auxiliary - Mrs. Spencer Brush, Chair

K. Hillsborough Auxiliary - Mrs. Bruce Mathews, Chair

L. Ross Auxiliary - Mrs. Charles Raven Chair*

M. Flower Committee - Mrs. John Adams, Chair

N. National Council - Mrs. Harry H. Wetzel* and Samuel D. Williams, Co-Chairs

O. San Francisco Ceramic Circle - Colin Knight, President*

P. Textile Arts Council - Peggy Gordon, Chair*

Q. Twentieth Century Art Council - Lindsay Joost and Michael Wilsey, Co-chairs

R. Volunteer Council - Josephine Staub, Chair, Steering Committee*

Adjournment - Richard W. Goss II, Chairman

There being no further business, the meeting was adjourned at 5:45 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

*Presented a verbal report

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Note: Immediately following this meeting, the annual member meeting of The Fine Arts Museums Foundation was held.

Appendix I

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees
April 9, 1998

Reports of Supporting Organizations

- Achenbach Graphic Arts Council - Nancy Constine, Chair
- American Art Study Center Advisory Council - Nancy Boas, Chair
- Ancient Hellenic Arts Council - Michael Zagaris, Acting President
- Artist Book Council -Emily Marcus, Chair
- ArtPoint - Reese Willis, Chair
- The Docent Council - Mary Pat Cress, Chair
- European Decorative Arts Council - Adolphus Andrews, Jr. and Mrs. Robert A. Magowan, Co-Chairs
- Fine Arts Museums Auxiliary - Mrs. Thomas M. Lacey, Chair
  1. Bouquets to Art - Mrs. Roderick Forbes, Mrs. Peter O'Hara, and Pat Hanson-Thomson, Co-Chairs
- Belvedere-Tiburon Auxiliary - Mrs. Wallace Boyer, Chair
- East Bay Auxiliary - Mrs. Spencer Brush, Chair
- Hillsborough Auxiliary - Mrs. Bruce Mathews, Chair
- Ross Auxiliary - Mrs. Charles Raven, Chair
- Flower Committee - Mrs. John Adams, Chair
- National Council - Mrs. Harry H. Wetzel and Samuel D. Williams, Co-Chairs
- San Francisco Ceramic Circle - Colin Knight, President
- Textile Arts Council - Peggy Gordon, Chair
- 20th Century Art Council - Lindsay Joost and Michael Wilsey, Co-chairs
- Volunteer Council - Josephine Staub, Chair, Steering Committee

ACHENBACH GRAPHIC ARTS COUNCIL

1998 BOARD OF TRUSTEES
ANNUAL MEETING REPORT

This 1997/98 fiscal year has been an outstanding one for the Achenbach Graphic Arts Council. We have maintained a steady number of basic members while our upper category groups of $250 and $500 have had an increase of over thirty-five percent. We have encouraged that level of contribution and had many exciting events to stimulate interest in joining the Benefactors and Donors group.

We started off the year with the exhibition "Variations in Time: Monotypes and Monoprints by Nathan Oliveira - a most exciting show. As a special bonus to our Donors we had a cocktail hour at the home and studio of Mona and Nathan Oliveira in September '97 with a no host dinner at a near-by restaurant afterwards.

Our "Recent Acquisitions of the Achenbach Foundation for Graphic Arts, 1991-1996" was on view at the same time as the Oliveira. As a result of the renovation of the Palace of the Legion of Honor, this was the first opportunity in six years to display some of our magnificent collection. This last year the AGAC has purchased a commanding Indian drawing attributed to the Kota School, "Running Elephant," c.1735. We have contributed towards the purchase of the Roy Lichtenstein, "Landscape with Poet" 1996 color lithograph and screenprint and the Picasso 1935 etching, "Corrida". The AGAC is pleased to assist in furthering the breadth of our collection.

From October 4, 1997 to January 4, 1998 "Thirty-Five Years at Crown Point Press" was presented at the Legion. Karin Breuer wrote the catalogue essay for this comprehensive exhibition. Our members enjoyed numerous activities associated with this event.

Our Collectors Circle (for those members in the Benefactor or Donor level) has been well received. Fran Johns has chaired this group. There has been much enthusiasm for visiting private homes and sharing collectors' knowledge of their art and the reason for its original purchase. In celebration of the acquisition of Rembrandt's rare etching, "The Shell", Curators Robert Flynn Johnson and Karin Breuer gave a presentation on Rembrandt.

The AGAC offers one or two programs each month open to all members. Marilyn Dougery is Program Chair. She has done an incredible job planning excellent events. Clara Morrissey arranged a bus-trip to the Di Rosa Preserve to view the works of over 500 artists. Our visit to William Allan's studio was another great experience. We have had many studio tours, visits to print presses where artists, often, are working, i.e. Hung Liu at the Paulson Press in

April. Our walk-throughs by our curators have been truly informative, the Peter Milton exhibit was an example. We also had an evening reception for the opening that was ably handled by Clara Morrissey, our Chair for Special Events, and terrific helpers (member volunteers).

The AGAC puts out a Newsletter at least three times a year, which keeps our members up to date on the programs, receptions and current public shows of prints and drawings in the area. Charles Schlossman and his staff are responsible for a great job.

This year, thanks to the efforts of Carole Cohen, Travel Chair, assisted by Evans Wyro and Larry Warnock, we initiated our first AGAC-sponsored art tour to New York City to visit the International Print Fair and enjoy other art experiences. It was a huge success and the tour raised $5000 in contributions to the AGAC. We are planning a repeat in the Fall as well as a trip to the Getty in May.

The Achenbach is celebrating its 50th Anniversary with an Exhibition April 18 - July 5, 1998. Twenty representative works from each decade will be chosen for this exhibit by Robert Flynn Johnson, Achenbach Curator-in Charge and Associate Curator, Karin Breuer. There will be an evening reception Friday, April 17th, for all of our members to join in commemorating this important event.

Board Member, Clara Morrissey, has been instrumental in recruiting and staffing the Study Center every Saturday. The volunteers help the public use the Achenbach and other FAM department databases. They provide the only instructed public drop-in use of the FAM databases.

Farrel Schell stepped in as Treasurer upon the resignation of Willis Deming (our Treasurer for many years) and we are most appreciative. Accolades to Marilyn Dougery for her tremendous ability to fill in when I was ill for a few months. We are all grateful to her.

Our goal of educating and enriching the public to the vast and important collection of the Achenbach is challenging, most rewarding and has our top priority.

Nancy M Constine

Nancy M. Constine, AGAC Chair

AMERICAN ART
STUDY CENTER

ADVISORS
Marjorie Dakin Arkelian
Carole Austin
Bill Berkson
Prof. Rodger C. Birt
Nancy Boas
Mrs. Philip E. Bowles
Elsa Cameron
Whitney Chadwick
Prof. T. J. Clark
Prof. Wanda Corn
Dr. Katherine B. Crum
Prof. John Dillenberger
Janice T. Driesbach
Hank Dunlop
Hilarie Faberman
Paula Freedman
Blair Fuller
Gary Garrels
Peter H. Gordon
Carl Grimm
Alfred C. Harrison, Jr.
Katherine C. Holland
Mark Johnson
Robert Flynn Johnson
Harvey L. Jones
Dr. Paul J. Karlstrom
Gary F. Kurutz
Susan Landauer
John R. Lane
Lizzetta LeFalle-Collins
Constance Lewallen
Philip E. Linhares
Suzanne W. Lombardi
Prof. Margaretta M. Lovell
Wayne Mathes
Signe Mayfield
Michael McCone
Paul C. Mills
Edgar Morse
Dr. Steven A. Nash
Alex Nemerov
Dr. Carol M. Osborne
Renny Pritikin
George Rivera
Prof. E. Bruce Robertson
Tere Romo
Mrs. Benjamin H. Rose III
Dr. Leslie Ross
Moira Roth
Norma H. Schlesinger
Ellen Halteman Schwartz
Prof. Peter Selz
Nancy Servis
Gary Smith
Dr. Kevin Starr
Diana Strazdes
James Steward
Karen Tsujimoto
Prof. Anne M. Wagner
Ian McKibbin White

American Art Study Center Advisory Council
Annual Report 1998

Last year more than 200 researchers used the resources of the American Art Study Center--professors of art, artists, undergraduates and graduate students, dealers, curators, and museum visitors. They came from institutions throughout the Bay Area and California and from as far away as France, Norway, and New Zeeland.

At the Study Center researchers can find material that is not duplicated in other libraries or research centers in the region, such as the unrestricted microfilm collections of the Archives of American Art of the Smithsonian Institution, the world's largest gathering of materials related to art of the United States; the original drawings of the design archive of Shreve and Company, San Francisco silversmiths; and a collection of rare 19th century American art periodicals on microfilm. Over the past several years, since the Study Center came into existence, nearly 800 reels of microfilm from the Archives of American Art and more than 250 American art volumes have been added to the library.

Directly and indirectly, the projects of researchers using the Study Center enrich the field of American art. The Advisory Council of the Study Center represents scholars, curators, collectors, artists, and students of American art throughout Northern and Central California and provides a forum for the exchange of new ideas. The symposium held in connection with Rhapsodies in Black: Art of the Harlem Renaissance brought leading national scholars together with Bay Area art historians and members of the museum-going public. The Study Center staff consists of Timothy Anglin Burgard, The Ednah Root Curator of American Art; Patricia Junker, Associate Curator of American Art; and Jane Glover, Departmental Assistant.

Respectfully submitted,

Nancy Boas

Nancy Boas, Chair
American Art Study Center Advisory Council
April 1998

FINE ARTS MUSEUMS OF SAN FRANCISCO

Ancient Hellenic Arts Council
Annual Report
April 9, 1998

The Ancient Art Department at the Fine Arts Museums and the Elios Society have launched the Ancient Hellenic Arts Council to support, promote, and preserve Greek antiquities and culture and the museums' Ancient Art collection. Membership is open to all who share a concern for and interest in ancient Hellenic art. Gifts, bequests, donations, and fund raising, will help expand and enhance the collection. More than eighty members have enrolled since its inception in November 1997.

Both the Ancient Art Department and the Museum are indebted to the Elios Society, a local cultural organization consisting of members of Hellenic extraction, for its generous help and involvement in forming the Ancient Hellenic Arts Council. When a marble Cycladic figure (dated to ca. 2,500 B.C.) was identified as the Council's first gift to the collection, it was through the Elios Society's charitable fund-raising that the piece was acquired.

The AHAC programs have thus far included two lectures. The first one was offered by Renée Dreyfus, Curator of Ancient Art and Interpretation, on the starkly modern, enigmatic, and sophisticated Cycladic marble figures created nearly 5,000 years ago on the Cycladic Islands in the Aegean, marking the birth of the Western art tradition and celebrating the inauguration of the support group for the Ancient Art Department. The second lecture was given by Barbara McLaughlin, Associate Professor of Classics, San Francisco State University, on Greeks overseas in the early 1st millennium B.C. with emphasis on the development of early Greek art. On that occasion, the Ancient Hellenic Arts Council and the Elios Society jointly hosted a pre-lecture reception for the official presentation of the Cycladic female figure to the Fine Arts Museums to which members of both groups were invited. The next event will be an invitation to the AHAC members to the opening of the *Ancient Glass from the Holy Land* exhibition at the M. H. de Young Memorial Museum to commemorate the 50th anniversary of the founding of Israel.

The Fine Arts Museums suffered the sad loss of a docent, Carolyn Moscarella and the Docent Council nominated the Ancient Hellenic Arts Council as the recipient of contributions in her memory. The funds donated will be used for the purchase of an ancient art object in remembrance of Carolyn and as a celebration of her life.

ARTIST BOOK COUNCIL: Fall 1997 / Spring 1998

Events and Activities.

The Artist Book Council has quarterly meetings with speakers and displays of artists books. Our first meeting for Fall 1996 was a presentation by Thomas Goldwasser of books by two French book artists who made, often in collaboration, from 1912-1935, some of the greatest art deco illustrated books. Mr. Goldwasser brought numerous examples of their original books.

We celebrated our fourth Annual Dinner and Book Talk was held at the Palace of the Legion of Honor in December which included a display of recently published Artists' Books and recent additions to the Museums' Collection of Artists Books.

The New Year was celebrated with an evening at the Achenbach for a private viewing with Kathan Brown and Achenbach Associate Curator, Karin Breuer of some of Crown Point Press's early projects including works by Brown, Bruce Conner, Wayne Thiebaud, Fred Martin, Sol Lewit and others.

Funds.

With the funds received from membership dues, two important acquisitions were made by Robert Flynn Johnson for the Collection: La Creation by Francois-Louis Schmied and My Sister-Life by Boris Pasternak with six etchings by Yun Kuper. In addition, several members have donated contemporary Artists Books for the Collection.

FINE ARTS
MUSEUMS
of SAN FRANCISCO

Junior Arts Council
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

April 4, 1998

Board of Trustees
Fine Arts Museums of San Francisco
233 Post Street
San Francisco, Ca. 94108

Dear Board of Trustees:

It is my pleasure, once again, to report to you on the progress the Junior Arts Council has made in the past year.

The Junior Arts Council has changed its name to more accurately define its position and purpose and will now be called "ARTPOINT". Although our name has changed from the Junior Arts Council to ARTPOINT, our mission to the museums and our members is the same. The group will still attract young professionals in their 20s, 30s, and 40s to the Fine Arts Museums. This age group is currently under represented in the museum's membership roster and is essential to the long term growth of the museums.

The second significant change this year for our group is a change in our membership status. In recognition of ARTPOINT'S contribution and support to the Fine Arts Museums, they have made ARTPOINT a new museum "membership category".

Our membership is at record levels, with well over 400 members. With your continued support, we all look forward to another exciting year.

Sincerely,

R. Reese Willis
Chairman ARTPOINT

cc: The Board of ARTPOINT

RRW/jw

M.H. de Young Memorial Museum
Golden Gate Park, 75 Tea Garden Drive, San Francisco, CA 94118-4501
tel: 415.750.7607 fax: 415.750.7692

FINE ARTS
MUSEUMS
of SAN FRANCISCO

Docent Council
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

DOCENT COUNCIL REPORT
FAMSF BOARD OF TRUSTEES
APRIL 9, 1998

Mary Pat Cress, Docent Council Chair

FAM Docents continue to devote considerable energy and expertise to museum visitors' better understanding of the FAM's permanent and special collections. During the nine month period of July 1, 1997 to April 1, 1998*, **203 active AOA and WES docents** devoted **4,578** hours to these ends.

TOURS: 3,597 FOR 37,505 people. In addition to thousands of regularly scheduled tours for the general public, we attempt to reach a broad and diverse audience with numerous special group tours. We tour thousands of school children, individuals with disabilities (Access), the hearing impaired with sign language tours, and hundreds of paid tours for senior and other adult groups. Under our College Student Program, **6,569 students and their instructors** received reduced or waived admission for self-guided tours by special arrangement with the Docent Council Office.

SLIDE LECTURES: 177 for 6,490 people. Docents in the popular Community Speakers Program (CSP) keep the public informed about FAM art and special exhibitions with free lectures in the museums and paid ones to outside groups. CSP Docents do an excellent job of marketing these lectures.

SPECIAL EVENTS: 38 for 13,176 people. At members', corporate and private events Docents are available in the galleries to provide exhibition information.

REVENUES: $46,610.00, including $22,714 in admission fees for FAM and COFAM. Although our raison d'être is public education, fund raising is an important extra. Marketing private tours is a major responsibility of our able Administrative Assistant, Renee Baldocchi. These and our lucrative CSP lectures are our major sources of revenues. Both have been affected by the absence of blockbuster exhibitions and reduced museum attendance.

COMMUNITY OUTREACH/TRAINING: 71 Exhibition Representatives. Although there is no Docent Training Class underway this year, we had the pleasure of training 47 volunteers, primarily from the African-American community, to provide information to visitors in the *Harlem Renaissance* galleries and 24 in the *Tervuren* galleries. In addition to furthering the FAM's efforts toward audience development, we are hopeful these experiences will attract the Representatives to Docent training when future programs are offered.

PROPOSITION A: Docents are giving their all for the passage of this critical bond issue. Our Board's unanimous vote to co-sign a favorable Ballot Argument illustrates our strong commitment to this goal, our fervent wish to save the de Young, and our avid support of the Fine Arts Museums.

*Includes some projected figures for March 1998.

FINE ARTS
MUSEUMS
of SAN FRANCISCO

European Decorative Arts Council
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

SUMMARY OF ACTIVITIES - 1997

The purpose of the European Decorative Arts Council is to broaden knowledge and appreciation of the field and, in the process, to build support for the Museums and their collections.

There are fifty members who pay $250 per year. After deducting direct expenses, the balance is accrued for a Museum acquisition.

In 1997, we brought Lady Victoria Leatham to talk about the collections in Burghley house, her family's magnificent home. We also had a very interesting evening with Deborah Gage, who discussed the beautiful ceramics which her family had collected at Firle Place. At year end, Dede and Alfred Wilsey held an exhibition to commemorate Michael Taylor and to show some of the acquisitions which he had made possible.

In January 1998, we had a special and memorable tour of the Getty Center with curator Gillian Wilson.

Administrative Offices
233 Post Street, San Francisco, CA 94108-5003
tel: 415.750.3622 fax: 415.750.3656

Bouquets to Art

Fine Arts Museums Auxiliary

Benefits the California Palace of the Legion of Honor & the M.H. de Young Memorial Museum

REPORT OF THE FINE ARTS MUSEUMS AUXILIARY

Bouquets to Art was a great success again this year. Over 16,000 people attended ; an increase from last year's total of 15,350.

More than 1,000 people attended the preview party.

Wednesday evening, open this year to members and to the public, proved very popular, with 1,500 people attending.

In addition, during the week, 70 new members joined the Fine Arts Museums.

Although final figures are not yet available we anticipate that more money was raised than in 1997.

Gross revenues to date are: $342,355
Expenses and liabilities are: $190,254

Gross revenues will be augmented by the silent auction, merchandise sales, and donations.

In addition, the auxiliary held two mini-fundraisers this year, lectures by Paul Erdman and Wayne Thiebaud, which raised $7,000.

Respectfully submitted,

Jane Forbes

Jane Forbes,
Co-Chairman,
Bouquets to Art

RECEIVED
MAR 2 3 1998

March 19, 1998

Ms. Judy Gough
Executive Secretary
Museums

Dear Ms. Gough:

In compliance with your request to report on the activities of the Belvedere-Tiburon Auxiliary, I will try to capsulate our 1997-1998, programs:

1. We supported the Flower Commitee's fund raiser in October.

2. In November, we saw the Utrecht Exhibit at the Legion with Lynn Orr.

3. In February, we always have an event to either raise money or increase membership. In 1997, we brought in 28 new members. In 1998, we had planned a de Young program for prospective members but the weather precluded this and we moved it to a private home in the evening as we were inviting young working women. How nice it was of Patty Junker, Curator, to make her evening available.

4. After working a very long time on reupholstering two antique Jacob Chairs for a Memorial for one of our members,it has been accomplished and paid for by her family. Our Auxiliary has provided the fabric to reupholster a William Vile sofa which was $1,000. These objects will soon be on display in the Museums.

5. In 1997, we co-sponsored the Reverand McMullan for Bouquets to Art, and in 1998, we partially sponsored Charlotte Mayfield for Bouquets to Art.

Through many years every Curator we have involved in our programs has been excellent and we are very appreciative.

Sincerely yours,

Barbara Boyer

Barbara Boyer

FINE ARTS MUSEUMS OF SAN FRANCISCO
EAST BAY AUXILIARY

1998 BOARD OF TRUSTEES
ANNUAL MEETING REPORT

The East Bay Auxiliary consists of forty-seven active members and eighteen sustaining members. We are celebrating ten years.

The principal purpose of this organization is to broaden the base of membership in the Fine Arts Museums of San Francisco which supports the de Young and the Legion of Honor, as well as expand and broaden awareness of the cultural arts in the Bay Area and beyond. Our members are paying dues at the contributing level of one hundred dollars or more, and we support a speaker for "Bouquets to Art". This is how our year starts out.

September 18, 1997 - Slide show and luncheon. Our first meeting in September was attended by forty members. We enjoyed a fabulous slide show by assistant curator, Rita Dunley on "Masters of Light: Dutch Painters in the Utrecht During the Golden Age". It was terrific!

October 22, 1997 - Curator Lynn Orr gave us an outstanding and wonderful tour of "Masters of Light" at the Legion. We had twenty-eight in attendance and then we went out for lunch down the hill.

November 22, 1997 - At the Legion, "Thirty-five Years of Crown Point Press" with assistant curator of the Achenbach Collection, Karin Breuer. Karin aquatinted us with the story of Kathan Brown, founder of Crown Point Press. We toured the galleries and enjoyed Karin very much. Twenty-six were in attendance. We then lunched in the Legion Café.

December 6, 1997 - Members Holiday party. Not counted as a meeting. Sixty-six were in attendance.

January 29, 1998 - "Rhapsodies in Black: Art of Harlem Renaissance" at the Legion. Curator Timothy Burgard gave us an outstanding commentary about African American artists, writers and musicians. His tour brought much life and meaning to the Jazz Age of the twenties. Thirty were in attendance and we lunched at the Legion Café.

February 25, 1998 - De Young Museum, "Interaction of Cultures: Indian and Western Paintings (1780-1910)". Curator Robert Johnson conducted a tour of the Ehrenfeld Collection with a surprise visit from Dr. William Ehrenfeld, who shared his knowledge and enthusiasm of great stories about his collection. He also stayed on to autograph copies of his catalogue. Robert Johnson also gave us a sneak preview of the Peter Milton Photography collection, which we also enjoyed so much. Thirty-one were in attendance. We then went on to Gallery 23 for a divine curry lunch that I pre-ordered with Andree McManus of the de Young Café. What a great day!

March 19, 1998 - "Bouquet to Art". We co-sponsored Walter Hubert from Pasadena and enjoyed the luncheon by Dan McCall. The galleries were again gorgeous and the lecture was fabulous. We dedicated the lecture in memory of one of our members, Dee Dee Bonham. There were approximately fifty-six members and guests for lunch and sixty attended the lecture.

March 27, 1998 - We had a cocktail party at the Oakland Museum to see "Gold Rush: California's Untold Story". Executive Director Dennis Power, along with Senior Curator Thomas Frye, spoke to us briefly about this exhibit and how enthusiastic they are with all the media attention. It has certainly put the museum on the map. The exhibit, "Gold Fever", is a must see.

April 22, 1998 - We are going to see the Oakland studio of Hung Liu, who is an associate professor of art at Mills College, and is an internationally acclaimed artist. She brought us an incredible slide show last year and we decided to see her studio where she created these fabulous works. We are also going to Paulson Press, established in 1966 headed by two proud alumnae of Crown Point Press.

May 3-8, 1998 - Boston trip. We are taking our annual trip which started about seven years ago to see museums around the country. We have been to Los Angeles, Santa Fe, New Orleans, Chicago, Charleston and Savannah, Victoria and Vancouver. This year we are going to Boston and Newport, RI with our group. We normally have twenty-two to thirty-three ladies go. We have a travel committee and we plan great trips to museums, house and garden tours, wonderful restaurants and enjoy getting to know each other in a different light. We have a blast.

May 21, 1998 - Filoli, end of the year outing. Bus, tour, and lunch.

June 1998 - Possible outing to the museum to see John Steuart Curry exhibit.

July/August 1998 - Work on next year's program.

We have had a wonderful, enlightening year.

FINE ARTS MUSEUMS OF SAN FRANCISCO
HILLSBOROUGH AUXILIARY

REPORT OF ACTIVITIES FOR 1997-1998

April 25, 1997 Annual Meeting and Installation of Officers at Peninsula Golf and Country Club. Slide presentation of San Jose Museum of Art current exhibits by Val DeLang of the Education Department. Luncheon

June 25, 1997 Docent-led tour of the San Jose Museum of Art with luncheon at San Jose Fairmont Hotel.

August 6, 1997 Docent-led tour of "The Spirit of Ancient Peru" at M. H. deYoung Museum with luncheon at World Trade Club.

September 26, 1997 Docent-led tour of "India:A Celebration" at the Asian Art Museum with luncheon at Gaylord India Restaurant.

October 21, 1997 "Dutch Treat at the deYoung" exhibit and luncheon to support the Flower Committee of the Fine Arts Museums.

October 25, 1997 "Wine and Cheese,Art and Thee" evening party for members, spouses and guests. Guest speaker Paula March

November 14, 1997 Docent-led tour of "Masters of Light:Dutch Painters in Utrecht during the Golden Age" at the Palace of Legion of Honor. Luncheon at the Olympic Club, Lakeside

January 16, 1998 General Meeting and luncheon at Kulato's. Speaker Martha Mertz on German artist Egon Schiele

March 19, 1998 Bouquets to Art luncheon and lecture by Walter Hubert

MEMBERSHIP: 106 Actives, 44 Sustainers, 2 Honoraries

CONTRIBUTIONS: $1000 to Childrens' Education of the Fine Arts Museums
$1250 to co-sponsor Thursday lecturer, Walter Hubert at Bouquets to Art

Respectfully submitted,

Margaret L. Mathews

Margaret L. Mathews, Chairman

TO: The Board of Directors
Fine Arts Museums
Of San Francisco

April 6, 1998

FROM: Patsy Raven
Chair
Ross Auxiliary

The Ross Auxiliary was honored to once again co-sponsor a lecture at Bouquets to Art by the Reverend William McMillan. He is such an entertaining and exceptional presenter. The Auxiliary was able to help with staffing during this outstanding event.

Our September meeting had Belinda Marshall speaking on "Lace, Ruffs, and Dagger Slashes: Fashions from the Golden Age of Dutch Painting." This speech was a wonderful lead in to our Museum Membership Drive, which featured a lecture presentation by curator, Dr. Lynn Orr, on "Masters of Light: Dutch Painters in Utrect during the Golden Age." Later, the Museum Guild was given a tour of the exhibit by Dr. Orr at the Legion of Honor. A lecture and slide presentation of paintings by Nasami Teraoka, given by docent Robert Allen of the Asian Art Museum, was enjoyed by our members, as was Susan Land's gallery tour in San Francisco. New programs in the spring will feature Jan Gilpin Anderson speaking on the established criteria that appraisers use to evaluate objects and their tools of research. In addition, Julia Geist will present the lecture, "From the New Look to Now."

Our auxiliary member, Kelly Scales, has been instrumental in putting together two Art/Museum trips this year. We toured Philadelphia in October visiting the Philadelphia Museum of Art, The Rodin Museum and the Barnes Foundation. Six members have just returned from visiting Vicksburg, Natchez (during the Natchez Spring Pilgrimage House Tours) and Napoleonville.

Please convey our thanks to the Fine Arts Museums of San Francisco for their continued support. It has been a very exciting year.

Sincerely,

Patsy Raven

Patsy Raven
Ross Auxiliary

April 1, 1998

Fine Art Museums of San Francisco
Board of Directors Annual Meeting
April 9, 1998

Flower Committee Report

"Dutch Treat at the de Young", the Flower Committee's second table setting show was held on Tuesday , October 21, 1997. For it, thirty-two exhibitors representing a wide variety of specialty shops set up displays in the various galleries. Luncheon, catered by the Cafe, was served to 320 guests in Hearst Court (About 50 guests had to be turned away due to lack of space). An additional 270 patrons came just to view the exhibits

A raffle featured a trip to visit the new J. Paul Getty Museum in Los Angeles as the first prize and it netted $1,400. Our overall profit was $6,000. not staggering, but we are pleased that 600 people who would otherwise stayed away, visited the de Young that day. In keeping with the "Dutch" theme, tulip bulbs were sold. The unsold inventory was planted in pots and now are currently being sold through the Cafe.

Because of our limited membership in the Flower Committee it take a lot of effort to put on a show of this nature each year. We are currently looking into the possibility of establishing a group whose primary function would be to help produce the show and give support to the flower budget for both museums and gardens.

This coming fall with the "The Art of Cooking " exhibit scheduled at the de Young , we would like to plan a repeat show of table exhibitors including a featured guest speaker for two days, Oct. 19, & 20th.

Our Committee of 30 talented volunteer members contribute their artistic floral decoration time to the Museums. Seasonal fresh cut flowers are arranged weekly at the de Young Museum. Flowering plants are also arranged and maintained weekly at the Legion of Honor.

Sincerely,

Donna Adams

Donna Adams
Chair
Flower Committee
Fine Arts Musuems of San Francisco

FACT SHEET

NATIONAL COUNCIL
of the Fine Arts Museums of San Francisco

* Last meeting was February 18-20, 1998, and coincided with the opening of the Tervuren exhibition. Guest speakers were Dr. David Driskell, Professor of Art, University of Maryland and the Fine Arts Museums' Timothy Burgard, Ednah Root Curator of American Art..

* Currently 61 memberships serving 3-year terms. There are a total of 75 memberships available.

* Members currently represent 15 states in the U.S.***
Other countries represented include:
France, Peru, England, Italy, Australia, Spain and Bermuda.

* Ongoing recruitment. Board members are requested to nominate individuals they feel would enhance the Council.

Members should have a strong interest in the arts and a tie to San Francisco.

Members asked to contribute a minimum of $1,000 annually

Recommendations welcome.
We are trying to broaden our geographical base.

* Meetings are held one or two times a year in San Francisco based on the Museums' exhibition schedule.

* The next meeting is scheduled for October 7-9, 1998, at the time of the opening of **PICASSO AND THE WAR: 1937-1945.**

***States represented: No. Carolina (1), Florida (1), Texas (7), Oregon (2), California (24) Minnesota (1), Delaware (1), New York (10), Illinois (1), Virginia (2), Washington, DC (1), Pennsylvania (1), Maine (1), Washington (state) (1), Nebraska (1)

San Francisco Ceramic Circle Highlights

1) General

In December, the San Francisco Ceramic Circle celebrated the 25th anniversary of its first meeting with a talk by Antoine d'Albis on the influence of Madame de Pompadour on the Vincennes-Sèvres porcelain manufactory. As the S.F.C.C. enters its 25th year the major problem discussed at last years meeting is still with us. Namely, the cost of providing top rate speakers for our programs in the face of a dwindling number of members within the S.F.C.C who have a significant collection or the scholarship on which to base a talk and who are also willing to lecture in public. The S.F.C.C. has continued efforts to increase membership along with increased dues to provide the funds necessary to support 10 lecture annually but still needs another 50 or so members or other sources of funds to support a program based largely on external speakers.

2) Membership

Membership in the S.F.C.C. stayed constant at around 170 despite publicity in Fine Arts, Antiques West, the Antique Journal and the Maine Antiques Digest, the Antique Collector and the addition of a presence on the web at www.thinker.org and an Antiques dealer's site. Interestingly, only 41% of the members reside in San Francisco. 39% are Bay area residents (Peninsula/ South Bay 22%; East Bay 10% and Marin/North Bay 7%). 21% of our members live more than 50 miles from San Francisco with 5 members in Seattle and 9 in Southern California. With such a high percentage of the membership having to travel significant distances to attend our meetings there is always a risk of defections. A membership group has been established to do a better job of integrating new members into the group and to increase our local publicity to attract more San Francisco residents.

3) Programs

A successful 1997 program concluded in December with our 25th Anniversary lecture. The 1998 program covers the wide range of ceramic interests of our group and has speakers scheduled from many major museums with ceramic collection. A complete program listing is available on the Museum web site at www.thinker.org under the membership section and S.F.C.C. listing for anyone interested in details.

The S.F.C.C. also operates the ceramics resource room which includes a reference library adjacent to the ceramics gallery at the Legion of Honor staffed by S.F.C.C. volunteers and open to the public on Wednesdays and Saturdays.

Textile · Arts · Council
M. H. de Young Memorial Museum
Golden Gate Park
San Francisco, California 94118
(415) 750-3627 Fax (415) 750-3692

REPORT TO BOARD OF TRUSTEES, FAMSF

April 9, 1998

The Textile Arts Council (TAC), was developed to support the Textile Department, FAMSF, as well as to promote and broaden an appreciation of textile arts in general. TAC does this through a monthly series of textile programs, exhibition walk-throughs and textile related field trips. The monthly video series on the first Wednesday evenings at the deYoung Memorial Museum has been very successful. The videos have been selected to highlight the wide variety of textile interests from fashion to the complexities of weaving which is reflected in the diverse interests of our membership. Over 450 textile aficionados receive our eight to twelve page newsletter three times a year. This newsletter lists museum programs, textile events at other venues as well as provides a forum for textile issues.

To meet the diverse interests of our membership, this year's programs have included a three day weaving workshop led by Nova personality, Ed Franquemont and Nilda Callanaupa, a weaving teacher from Peru. Through her studies with elder weavers she has rescued ancient weaving and knitting techniques that otherwise would have been lost to the world. This workshop and an afternoon of videos on Andean life was held in conjunction with the Appleby Exhibition. For the Ikat exhibition, Yoshiko Wada presented a slide lecture on world-wide ikat techniques allowing her audience to handle the samples that she brought for viewing. TAC has also collaborated with the Palo Alto Cultural Center, SFSU, as well as the Phoebe Hearst Museum in a series of programs that featured the issues faced by the textile community from the perspective of artists, teachers, collectors and curators.

Many other interesting and varied programs have been planned for the coming year. These programs include a demonstration lecture on quilts, a slide talk and "hands on" showing of traditional Mexican costumes and a slide lecture on design, pattern and symmetry in Oriental rugs by Carol Bier, curator, The Textile Museum, Washington DC. Additional studio visits and workshops are planned for the summer months.

The income from the TAC Endowment Fund is used for acquisitions and to support other needs of the Textile Department. For example, TAC will help sponsor an intern for the Textile Conservation Lab and has helped purchase a light table for the department. Acquisitions have included a Moroccan hand woven cape, part of the Kaisik Wong couture collection as well as a contemporary textile called *Intention/Contention: Point of Touch*, by Lia Cook, a Bay Area artist. Based on a 17th century version of Susanna and the Elders, it is a wonderful addition to the museums' already outstanding collection of rare carpets, kilims and ethnographic textiles.

Peggy Gordon, Chair
Textile Arts Council

FINE ARTS MUSEUMS OF SAN FRANCISCO

20th Century Art Council
Annual Report
April 9, 1998

Members of the 20th Century Art Council have had the opportunity to take part in a variety of stimulating activities throughout the year. Some events enjoyed by our members this last year were:

An evening with renowned Spanish sculptor Eduardo Chillida, at which he showed slides of his work and provided personal commentary; an evening with Kathan Brown at Crown Point Press including a demonstration on printmaking; a slide presentation and discussion of his work by Nathan Oliveira, which took place at the home of a San Francisco couple who are art collectors and members of the Council; and most recently, a bus trip to visit several private collectors and artist studios in Marin and Sonoma, ending the day with dinner in the historic home of one of its members. Our members were also invited to a number of opening receptions for exhibitions at the Fine Arts Museums, as well as other art activities in the Bay Area.

Memberships number 43, several of which are couples. Annual dues cover expenses for activities such as those listed above and also yield a fund to support 20th-century art acquisitions, including most recently the partial funding of George Herms' early assemblage Meat Market.

VOLUNTEER COUNCIL REPORT
APRIL 1998

The 581 Volunteers of the Fine Arts Museums of San Francisco perform a variety of functions in support of the museums. They greet visitors and respond to questions at the Information Desk, sell museum memberships, click in visitors to special exhibits, assist in Acoustiguide/Inform sales, walk the galleries to provide an informational outreach to visitors, take in coats, backpacks, and umbrellas at Parcel Check areas, support bond issues, as well as serve as museum switchboard operators, work in Museum stores and at Special Events, assist the staff (in Education, Media, the Library, and curatorial and conservation departments), and help in many other capacities. Last year, the Volunteers provided **45,172** hours to the museums.

The Volunteers come to our museums from a variety of locations. They drive, take buses and Bart from destinations as far away as Fresno and San Diego. The Volunteers (as of 3/17/98) are grouped as follows:

- 392 - San Francisco
- 74 - South Bay
- 55 - East Bay
- 45 - North Bay
- 1 - Fresno
- 1 - La Honda
- 1 - San Diego

In addition to selling Golden Gate Park Maps at the de Young and receiving donations to FAM Fund #423 (In Honor of, In Memory of, Parcel Check contributions), the annual Volunteer fund-raising event (a Silent Auction last year and scheduled again for this year on Saturday, May 16) allowed the Volunteer Steering Committee to approve a gift of $15,000 from our Acquisition Fund to help the AFGA purchase Picasso's La Grande Corrina.

The Volunteers recognize their own at an Annual Awards Reception where Mr. Parker presents pins, certificates, and brass plaques and a calligraphy certificate to those serving 250 hours, 250 hours in one year, and 1000 hours, respectively.

The dedication of the Volunteers to the FAMSF clearly signals their support to the museums and their programs for our visitors.

Josephine Staub, Chair
Volunteer Council Steering Committee

FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

0.25

11/98

OFFICIAL MEETING NOTICE

SPECIAL MEETING

DOCUMENTS DEPT.
JUN 08 1998
SAN FRANCISCO
PUBLIC LIBRARY

Corporation of The Fine Arts Museums
Board of Trustees

Thursday, June 11, 1998
3:30 p.m.[1]
Gallery 23
M. H. de Young Memorial Museum
Golden Gate Park
San Francisco, California

AGENDA

I. Call to Order - Richard W. Goss II, Chairman

II. Calling of the Roll

Trustees:

Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
George McNear Bowles
Mrs. Philip E. Bowles III
Mrs. Barbara B. Carleton
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President of Finance
Morgan Flagg

[1] Or such earlier time as the Fine Arts Museums of San Francisco Board of Trustees special meeting ends, but in no event before 3:30 p.m.

II. Calling of the Role (continued)

Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear
Richard W. Goss II, Chairman
Mrs. Nancy Hamon
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Diane B. Lloyd-Butler
Mrs. Peter McBean
Nion McEvoy
J. Alec Merriam, Vice President of Collections
Lorna F. Meyer
Michael W. Michelson
Robert A. Mills
Josie Mooney
Walter S. Newman
Michael E. O'Neill
Steven MacGregor Read, Vice President of Facilities
George R. Roberts
Waldemar Rojas
Gail P. Seneca
William E. Steen
William A. Stimson
Dolores G. Terrazas
Burl A. Toler, Sr.
Sidney R. Unobskey
Carlos Pedro Villa
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, President
Alfred S. Wilsey
Frank Montgomery Woods

II. Calling of the Roll (continued)

Absences to be Excused:

Non-Voting Officers:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

There will be an opportunity for public testimony before action is taken on each agenda item.

III. Report of the Chairman - Richard W. Goss II

IV. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the May 14, 1998 Meeting of the Executive Committee of the Board of Trustees (See Appendix A)

B. Report of the Campaign Committee to Rebuild the de Young Museum in Golden Gate Park

C. Report on Letter of Agreement with the Director of Museums

D. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of April 30, 1998 (See Appendix B)

B. Consideration and Possible Action to Approve the FY 1998-99 Operating Budget (See Appendix C)

C. Consideration and Possible Action to Adopt a Resolution Authorizing an Increase in Membership Dues for the Senior, Student and Teacher Categories of Membership

WHEREAS, The Fine Arts Museums' membership dues for seniors, students and teachers are lower than those charged by other museums and have not been increased since 1992; now, therefore, be it

C. Consideration and Possible Action to Adopt a Resolution Authorizing an Increase in Membership Dues for the Senior, Student and Teacher Categories of Membership (continued)

RESOLVED, That the Board of Trustees of the Corporation of the Fine Arts Museums does hereby authorize the COFAM Chief Executive Officer to increase the membership dues for seniors, students and teachers from $35 to $40 annually.

D. Consideration and Possible Action to Adopt a Resolution Authorizing a Change in Policy Pertaining to the Admission of Members to Special Ticketed Exhibitions

WHEREAS, The move of blockbuster exhibitions from the de Young Museum to the Legion of Honor, due to the loss of indemnification at the de Young, has reduced attendance because the Legion has only half the visitor capacity of the de Young, limited parking, poor public transit, and an out-of-the way location, all of which necessitate a change in policy pertaining to the admission of members to special ticketed exhibitions; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize a change in the allocation of free admission tickets limiting entry to four free admissions per membership at the $60 level (family) and below for each special ticketed exhibition.

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock (continued)

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

F. Consideration and Possible Action to Adopt a Resolution Authorizing Bank Account Signatures

WHEREAS, In October 1987, in accordance with Board Resolution Number 4, the Corporation of The Fine Arts Museums established a bank account with Wells Fargo Bank, N.A. ("Wells Fargo") at the 5455 Geary Boulevard Branch, San Francisco; and

WHEREAS, From time to time, the bank account signers are changed by resolution (33, 91, 121 and 172); now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any one of the following nine persons may sign checks or other instruments withdrawing funds from the account for $1,000 or less; that the signatures of two of the following nine are needed for checks or other instruments between $1,001 up to and including $10,000; and that for checks and other instruments over $10,000, one signatory of numbers 1-5 and one signatory of numbers 6-9 is required:

1) Harry S. Parker III, Chief Executive Officer
2) Stephen E. Dykes, Treasurer
3) Michele Gutierrez, Fiscal Officer for the Foundation
4) Barbara Boucke, Deputy Director for Development
5) Robert M. Cullison, Controller
6) Diane B. Wilsey, President
7) Richard W. Goss II, Chairman
8) Charles Crocker, Trustee
9) Richard H. Finn, Vice President/Finance; and be it

FURTHER RESOLVED, That the authorized check signer cannot be the sole signature on a check or other instrument paying an invoice he or she has previously authorized for payment; and be it

F. Consideration and Possible Action to Adopt a Resolution Authorizing Bank Account Signatures (continued)

FURTHER RESOLVED, That Resolution Number 4 remains in full force except the names of the check signers have changed and be it

FURTHER RESOLVED, That Resolution Number 172 (Bank Account Signers) is hereby rescinded.

G. Other Informational Items

VI. Report of the Budget Committee - Richard H. Finn, Chair and Vice President

A. Consideration and Possible Action to Appoint Auditors

RESOLVED, That Coopers & Lybrand is appointed to audit the combined balance sheet of the Fine Arts Museums of San Francisco (FAM) as of June 30, 1998 and the related combined statements of revenues, expenses and changes in fund balances for the year then ended; and that the combined financial statements will include COFAM, The Fine Arts Museums Foundation (FAMF), and FAM as recorded on the books of the City and County of San Francisco; and be it

FURTHER RESOLVED, That Coopers & Lybrand is also appointed to undertake a COFAM Retirement Plan Audit and a Registration Department Agreed-Upon Procedures Review; and be it

FURTHER RESOLVED, That COFAM's share of the audit cost of the combined financial statement for COFAM, FAM and FAMF plus the COFAM Retirement Plan Audit and the Registration Procedures Review will be about $65,550 including out-of-pocket costs.

VII. Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

VIII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

IX. Adjournment - Richard W. Goss II, Chairman

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Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats and
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to a meeting. A late request will be honored if possible. Minutes of the meeting will be made in alternative formats upon request.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The MUNI's wheelchair-accessible No. 44 line (south bound) stops in front of the de Young Museum. The No. 44 line (north bound) stops in front of the Academy of Sciences. For access to the de Young Museum by BART from the East Bay, get off at the New Montgomery Station.

Take MUNI's No. 38 line (Geary) to 6th Avenue and transfer to the No. 44 line (O'Shaughnessy). For access to the de Young Museum by BART from Daly City, get off at the Civic Center Station. Take MUNI's No. 71 line (outbound) and transfer at 6th Avenue at Lincoln Way to the No. 44 line (O'Shaughnessy).

There is accessible parking spaces (disabled-designated) available at the following locations: a) the de Young Museum parking lot (driveway access at 10th Avenue and Kennedy Drive); and b) the Music Concourse area, east end (access from Tea Garden Drive).

Accessible seating for persons with disabilities (including those using wheelchairs) will be available. For Telecommunication Device for the Deaf (TDD), the Museums use the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

If you are unable to attend the meeting, you may submit written comments to Judy Gough, Fine Arts Museums of San Francisco, 233 Post Street, 6th Floor, San Francisco, CA, 94108.

COFAM Operating Budget Report
April 30, 1998

On April 30th, the operating budget was $485,370 in the black, primarily due to taking $633,875 into support from a $300,000 major unrestricted gift plus two unrestricted bequests to help achieve a balanced budget by year end. The exceptional use of non-reoccurring funds underscores the loss of de Young revenue from low attendance, resulting from the shift of major shows – both international and domestic -- to the Legion after the loss of federal indemnification last summer.

Unfortunately, the Legion cannot compensate for the de Young's decline, owing to the Legion having only half the visitor capacity of the de Young, limited parking, poor public transit, and an out-of-the-way location. Next fiscal year, three major exhibitions will mask the museum's new structural shortfall, which will likely re-emerge in FY 1999-2000 and will have to be grappled with until a de Young is built.

At this late stage of the fiscal year, comparisons of actual results are best made against the 4/18/98 rolling forecast included in the budget report. On this basis, annual contributions are on track.. Scaled back general admission fees and store sales did somewhat better than expected. However, membership dues are down and may fall short of the revised $2,472,000 level. Personnel expenses were slightly below the revised budget. On the whole, other expenses were less than budget, despite some areas moving close to authorized expense levels. Other expenses also included a COFAM contribution of $400,000 to the Committee to Rebuild the de Young Museum in Golden Gate Park for the campaign to pass Proposition "A" -- the

$89.9 million bond measure on the June 2nd San Francisco ballot. The revised budget anticipates that COFAM will contribute up to $600,000 by the end of the campaign.

The COFAM Reserve was $2,053,086. Board policy is to maintain a $2 million reserve.

Looking toward year end on June 30th, the 4/18/98 rolling forecast narrowly achieves a balanced budget by counting on a high level of annual contributions, relying upon windfall bequests and a major gift, maximizing all revenue sources, capping expenses, locking in savings wherever possible, and holding COFAM contributions to $600,000.

The close of FY 1997-98 will be a photo finish. Every effort is being made to keep the operating budget in the black. But owing to the difficult financial circumstances COFAM has been working under, no operating surplus is anticipated to offset plant fund depreciation costs.

# # #

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COFAM Operating Budget Report for the Month Ended April 30, 1998

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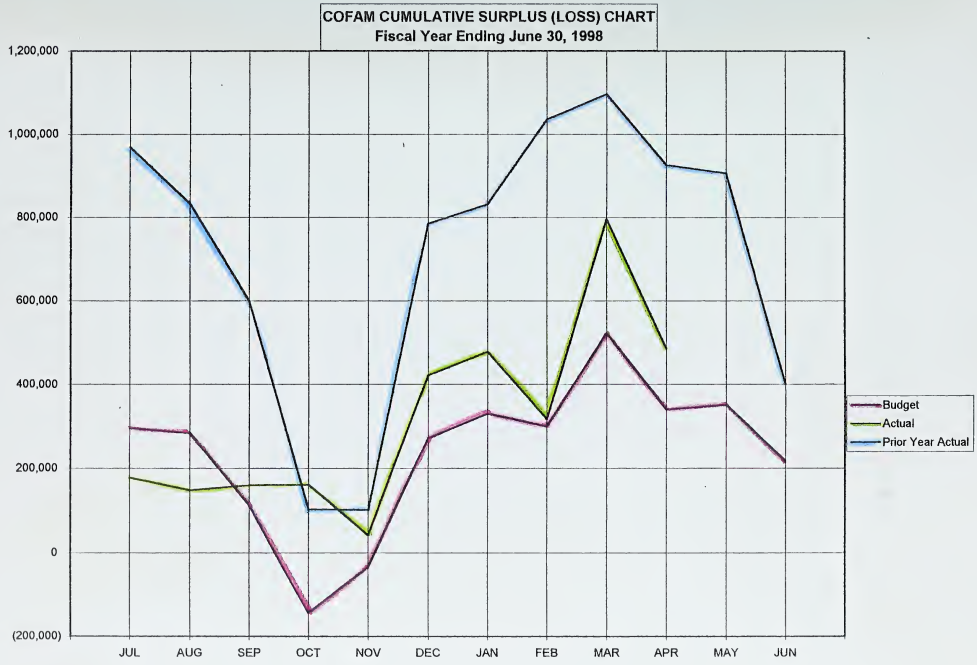
COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal Year Ending June 30, 1998
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
(200,000)
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
Budget
Actual
Prior Year Actual

COFAM FY 1997-98 Operating Budget At April 30, 1998 (10 Months --83.3% Of The Budget Year)

	(1) April		(2) 10-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 4/18/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 10 Months
SUPPORT & REVENUE									
Support									
1) Annual Contributions	217,000	188,893	1,943,000	2,361,069	418,069	2,800,000	84.3%	2,500,000	1,903,529
2) Bequests and Major Unrestricted Gifts	0	67,337	0	633,875	633,875	633,538	100.1%	0	264,896
3) Foundation Endowment Support	92,128	92,128	921,280	921,280	0	1,105,534	83.3%	1,105,534	822,400
4) Specified Funds									
--Curatorial/Conservation	29,561	61,651	257,934	349,660	91,726	459,377	76.1%	319,100	325,363
--Achenbach Collection Mgmt. Project	0	0	0	0	0	0	0.0%	0	10,103
--Publications	1,000	0	49,000	38,514	(10,486)	92,864	41.5%	68,000	82,250
--Exhibition Funds Secured	0	648	149,715	169,543	19,828	307,738	55.1%	232,371	548,440
--Exhibition Funds To Be Raised	10,000	0	80,000	0	(80,000)	0	0.0%	100,000	0
--Education Programs	17,610	23,541	200,820	203,498	2,678	351,849	57.8%	271,000	179,566
--New DeYoung Planning	0	19,339	0	524,711	524,711	566,102	92.7%	40,000	0
--General	2,500	5,072	60,000	74,580	14,580	65,500	113.9%	25,000	112,583
5) COFAM Investment Income	10,000	24,769	117,000	114,381	(2,619)	140,000	81.7%	140,000	118,047
Subtotal Support	379,799	483,378	3,778,749	5,391,111	1,612,362	6,522,502	82.7%	4,801,005	4,367,177

COFAM FY 1997-98 Operating Budget At April 30, 1998 (10 Months --83.3% Of The Budget Year)

	(1) April		(2) 10-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 4/18/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 10 Months
Revenue									
6) Museum Store Sales	141,058	136,391	2,113,034	1,852,542	(260,492)	2,032,237	91.2%	2,492,955	2,405,441
Less Discounts	(8,834)	(5,585)	(124,478)	(85,896)	38,582	(99,932)	86.0%	(149,660)	(113,213)
Less Cost of Goods	(74,582)	(70,211)	(1,098,399)	(1,019,688)	78,711	(1,075,601)	94.8%	(1,299,447)	(1,208,137)
Less Commissions	(1,287)	0	(11,586)	(746)	10,840	(15,449)	4.8%	(15,449)	(4,836)
Gross Profit	56,355	60,595	878,571	746,212	(132,359)	841,255	88.7%	1,028,399	1,079,255
7) Facilities Rental Gross	50,000	44,654	600,000	493,094	(106,906)	600,000	82.2%	700,000	495,677
8) Benefits Gross Income	0	4,000	245,000	240,274	(4,726)	236,274	101.7%	245,000	92,398
9) General Admissions COFAM Net	129,424	85,671	1,554,002	1,250,134	(303,868)	1,441,425	86.7%	1,881,750	1,481,042
10) Food & Beverage Concession Fees	11,432	14,273	131,871	129,238	(2,633)	146,095	88.5%	159,884	142,809
11) Exhibition Program Earned Income	0	11,928	375,175	392,137	16,962	401,897	97.6%	375,175	424,001
12)FAM Membership Dues	285,278	164,671	2,186,435	1,962,598	(223,837)	2,472,240	79.4%	2,622,240	2,043,430
13) Conservation Services	21,189	11,507	201,297	229,114	27,817	275,000	83.3%	254,270	193,868
14) Miscellaneous									
--Development Trip Fees	0	84,675	140,000	211,125	71,125	210,000	100.5%	140,000	118,500
--Other Fees	31,776	76,734	301,878	419,099	117,221	528,335	79.3%	381,320	563,019
Subtotal Revenue	585,454	558,708	6,614,229	6,073,025	(541,204)	7,152,521	84.9%	7,788,038	6,633,999
Total Support & Revenue	965,253	1,042,086	10,392,978	11,464,136	1,071,158	13,675,023	83.8%	12,589,043	11,001,176

Museum Attendance

March 1998: 43,201 visitors, 42.3% paid, budgeted - 55,000 visitors, 45% paid.
Year to Date: 586,611 visitors, 44.3% paid, budgeted - 705,000, 45% paid.

Membership:

Year to date: 35,747 dues paid members averaging $54.90 per member
compared to budgeted goals of 40,023 dues paid members averaging $54.63 per member
Current active paying members = 46,037

	(1) April		(2) 10-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 4/18/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 10 Months
EXPENSES									
Personnel Expenses									
15) Curatorial									
Curatorial/Conservation/Education	261,093	275,407	1,866,196	1,868,318	2,122	2,267,652	82.4%	2,262,805	1,816,121
Project Funded Employees	50,626	60,061	371,259	379,032	7,773	492,604	76.9%	438,761	331,487
Exhibit Group	93,950	96,736	672,594	638,816	(33,778)	807,178	79.1%	814,231	631,409
Exhibit Program Temporary Labor	18,500	16,322	151,914	130,489	(21,425)	173,814	75.1%	173,814	179,539
16) Development	55,040	47,708	395,272	408,294	13,022	476,203	85.7%	477,009	385,727
17) Administration									
Administration General	131,415	134,668	947,938	935,592	(12,346)	1,162,245	80.5%	1,138,927	891,768
New DeYoung Planning	0	19,030	0	140,779	140,779	166,102	84.8%	0	0
Operations Group	23,462	22,938	169,487	165,440	(4,047)	203,136	81.4%	203,335	166,936
Stores	42,142	52,794	380,827	402,457	21,630	489,236	82.3%	447,647	399,284
Facilities Rental	24,481	18,417	173,526	149,473	(24,053)	244,136	61.2%	212,167	155,607
18) Marketing & Membership									
General	25,242	22,971	181,034	174,741	(6,293)	200,143	87.3%	218,766	177,844
Public Relations & Advertising	32,597	28,610	234,482	210,983	(23,499)	270,475	78.0%	282,510	218,631
FAM Membership Services	42,273	36,386	304,002	289,757	(14,245)	350,264	82.7%	366,366	302,824
Subtotal Personnel	800,820	832,048	5,848,530	5,894,171	45,641	7,303,188	80.7%	7,036,338	5,657,177

COFAM FY 1997-98 Operating Budget At April 30, 1998 (10 Months –83.3% Of The Budget Year)

	(1) April		(2) 10-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 4/18/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 10 Months
Other Expenses									
19) Curatorial									
Curatorial/Conservation/Education	51,335	35,051	483,931	410,656	(73,275)	620,434	66.2%	635,393	445,112
Publications	1,000	(1)	49,000	38,513	(10,487)	92,864	41.5%	68,000	82,250
Exhibit Group	7,416	12,304	70,458	85,172	14,714	90,100	94.5%	99,000	47,537
Exhibit Program	67,595	55,586	1,070,569	1,052,403	(18,166)	1,412,160	74.5%	1,283,121	1,162,525
20) Development									
Development General	31,925	83,185	393,100	478,473	85,373	573,465	83.4%	543,850	352,957
Benefits	10,000	617	103,000	113,923	10,923	113,305	100.5%	163,000	45,669
21) Administration									
Administration General	57,387	45,970	549,176	687,316	138,140	737,333	93.2%	707,543	751,963
New DeYoung Planning	4,000	310	34,000	383,932	349,932	400,000	96.0%	0	0
Operations Group	45,010	41,211	427,595	443,260	15,665	516,731	85.8%	540,120	400,935
Facilities Rental	1,500	5,352	14,000	26,786	12,786	15,975	167.7%	17,750	23,981
Stores	6,500	14,634	84,600	76,133	(8,467)	77,500	98.2%	100,000	96,302
22) Marketing & Membership									
General	9,539	5,344	89,036	84,644	(4,392)	108,960	77.7%	114,475	71,520
Media Relations & Advertising	29,591	5,788	340,147	309,960	(30,187)	361,980	85.6%	402,200	280,649
FAM Membership Services	25,187	15,338	495,988	493,424	(2,564)	647,700	76.2%	661,022	484,475
Subtotal Other Expenses	347,985	320,689	4,204,600	4,684,595	479,995	5,768,507	81.2%	5,335,474	4,245,875
Total Expenses	1,148,805	1,152,737	10,053,130	10,578,766	525,636	13,071,695	80.9%	12,371,812	9,903,052
SUPPORT & REVENUE OVER EXPENSES	(183,552)	(110,651)	339,848	885,370	545,522	603,328	n/a	217,231	1,098,124
LESS COFAM SUPPORT OF BOND MEASUR	0	0	0	(400,000)	(400,000)	(600,000)		0	(172,000)
SUPPORT & REVENUE OVER EXPENSES	(183,552)	(110,651)	339,848	485,370	145,522	3,328		217,231	926,124
LESS PLANT FUND DEPRECIATION	(25,000)	(25,000)	(250,000)	(250,000)	0	(300,000)		(259,500)	(205,950)
	(208,552)	(135,651)	89,848	235,370	145,522	(296,672)	n/a	(42,269)	720,174

Annual Contributions Report – Month Ending April 30, 1998 (83.3% Of The Budget Year)

(1)	(2)			(3)				(4)		
Contribution Categories	April 1998 Budget	April 1998 Actuals	April 1997 Actuals	Year To Date Budget	Year To Date Actuals	Variance to Y-T-D Budget	Prior Year Actuals	FY 97/98 Original Budget	Revised Current Year Annual Goals	Current Year % of Revised Annual Goals Achieved
1) Associates ($5,000 and up)	150,000	132,730	45,044	1,100,000	1,484,582	384,582	1,153,654	1,400,000	1,750,000	84.8%
2) Patrons ($2,500 - $5,000)	10,000	2,500	7,500	65,000	85,317	20,317	58,590	55,000	75,000	113.8%
3) Friends ($1,000 - $2,500)	35,000	29,700	33,137	340,000	335,112	(4,888)	343,101	450,000	420,000	79.8%
4) National Council/Other	2,000	5,052	1,285	54,000	49,952	(4,048)	47,212	45,000	55,000	90.8%
5) Mail Drive	0	620	2,240	119,000	145,114	26,114	106,937	150,000	125,000	116.1%
6) Phone Campaign	0	0	0	35,000	10,360	(24,640)	0	150,000	125,000	8.3%
7) Business	15,000	5,871	2,422	135,000	130,216	(4,784)	106,327	150,000	150,000	86.8%
8) Foundations	5,000	12,520	283	95,000	120,416	25,416	87,708	100,000	100,000	120.4%
	217,000	188,993	91,911	1,943,000	2,361,069	418,069	1,903,529	2,500,000	2,800,000	84.3%

Appendix "B" -- Stores Report: 10 Months Ended April 30,1998

	In House Merchandising				Outside Merchandising	
	(1) deYoung Store		(2) Legion Store		(3) Wholesale & Royalties	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	626,250	474,919	916,500	729,018	132,779	89,302
Discounts	(56,363)	(30,064)	(54,990)	(32,872)		
Cost of Goods	(319,388)	(283,150)	(476,580)	(389,635)	(83,679)	(48,267)
Commissions	0	0	0	0	(11,586)	(746)
Gross Profit	250,500	161,705	384,930	306,511	37,513	40,289
Personnel Expenses	153,193	143,755	118,704	136,173	35,896	37,586
Other Expenses	34,000	53,629	31,000	6,944	0	0
Total Expenses	187,193	197,384	149,704	143,117	35,896	37,586
Gross Profit Over Expens	63,307	(35,679)	235,226	163,394	1,617	2,703
Variance to Year To Date		(98,986)		(71,832)		1,086

	Exhibition Merchandising							
	(4) Larco Store		(5) Utrecht Store		(6) Harlem Store		(7) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Sales	108,000	191,135	171,863	149,370	157,642	218,798	2,113,034	1,852,542
Discounts	(3,240)	(8,548)	(5,156)	(7,065)	(4,729)	(7,347)	(124,478)	(85,896)
Cost of Goods	(54,000)	(102,279)	(85,932)	(79,186)	(78,821)	(117,171)	(1,098,399)	(1,019,688)
Commissions	0	0	0	0	0	0	(11,586)	(746)
Gross Profit	50,760	80,308	80,776	63,120	74,092	94,280	878,571	746,212
Personnel Expenses	5,714	18,156	35,805	40,212	31,515	26,575	380,827	402,457
Other Expenses	3,400	3,691	10,200	7,119	6,000	4,750	84,600	76,133
Total Expenses	9,114	21,847	46,005	47,331	37,515	31,325	465,427	478,590
Gross Profit Over Expens	41,646	58,461	34,771	15,789	36,577	62,955	413,144	267,622
Variance to Year To Date		16,815		(18,982)		26,378		(145,522)

Appendix "C" – Exhibition Program FY 1997-98

Revised 4/8/98

		Venue	(1) Runs		(2) Cost Original	(2) Cost Revised	(3) Gifts and Grants Original	(3) Gifts and Grants Revised		(4) Income Original	(4) Income Revised	(5) Nets Original	(5) Nets Revised
In-House Exhibitions													
1	Berlin Pergamon (199)		Traveling			0					5,629	0	5,629
											Participation fees		
2	Nasher Sculpture (183)		Traveling			0					31,335	0	31,335
											Participation fees		
3	If the Shoe Fits (182)	D	07-Dec-96	05-Oct-97	-	0						0	0
4	Art of the Americas - Pride of Place (138)	D	15-Mar-97	06-Jul-97	-	2,000						0	(2,000)
5	John Martin Deluge Trilogy (146)	L	10-May-97	03-Aug-97	35,150	15,000				15,000	5,641	(20,150)	(9,359)
											Yale		
6	Life & The Afterlife in Ancient Peru (124)	D	17-May-97	10-Aug-97	62,095	63,260				50,000	112,971	(12,095)	49,711
					includes Knoxville payment					Admissions $54k, Audio $9.5k			
7	Roy Lichtenstein (145)	D	31-May-97	07-Sep-97	-	0				$49.4k Knoxville Part fee		0	0
8	Contemporary Art	D	07-Jun-97	28-Sep-97	-	0						0	0
9	Nathan Oliveira Monotypes (147)	L	14-Jun-97	14-Sep-97	14,688	26,703						(14,688)	(26,703)
10	Recent Acquisitions to AFGA (148)	L	14-Jun-97	14-Sep-97	11,418	10,776						(11,418)	(10,776)
11	Andean Textiles (116)	D	21-Jun-97	19-Oct-97	1,700	1,700						(1,700)	(1,700)
12	Legion Deinstallation (150)	L	01-Jul-97	15-Sep-97		21,889						0	(21,889)
13	Art of the Americas Identity Crisis (137)	D	26-Jul-97	07-Dec-97	15,120	18,500	13,120	16,500	NEA			0	0
14	American Galleries - Hallway Cases	D	01-Aug-97	31-Aug-97	9,850	9,850	2,000	2,000	LEF			(9,850)	(9,850)
15	Masters of Light - Utrecht (125)	L	13-Sep-97	30-Nov-97	486,248	520,000	100,000	100,000	Auxiliary	180,450	142,033	(225,798)	(277,967)
										$123K - Admissions, $19K - Audio			
16	Thirty-Five Years at Crown Point (142)	L	04-Oct-97	04-Jan-98	93,368	93,386		5,000	McCutcheon, Doyle			(93,368)	(88,368)
17	Morgan Flagg Collection (130)	D	18-Oct-97	22-Feb-98	8,558	21,261						(8,558)	(21,261)
18	IKAT - Splendid Silks from Central Asia (141)	D	15-Nov-97	01-Mar-98	52,028	72,000						(52,028)	(72,000)
19	Recent Costume Acquisitions I (151)	D	22-Nov-97	30-May-98	5,025	2,814						(5,025)	(2,814)
20	Arts of the Americas - Art and Ethnography (139)	D	20-Dec-97	12-Apr-98	14,595	14,595	12,595	12,595	NEA			0	(2,000)
							2,000	2,000	LEF				
21	Harlem Renaissance(132)	L	17-Jan-97	15-Mar-98	138,289	138,289	20,000	36,987	Anonymous - $20K	149,725	104,288	31,436	2,986
									Essey - $7K	$88.5K - Admissions, $8K - Audio			
									Nordstrom - $10K				

Continued

Appendix "C" -- Exhibition Program FY 1997-98

Revised 4/8/98

		Venue	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
22	Printed Portraits. Selections from the Anderson Collection	L	24-Jan-98	26-Apr-98	9,250	9,250						(9,250)	(9,250)
23	AFGA Collection of Graphic Arts (Lautrec/tentative)	L	Postponed		10,950	0						(10,950)	0
24	Later Paintings from India - Ehrenfeld Collection (152)	L	07-Feb-98	03-May-98	44,725	44,725						(44,725)	(44,725)
25	Treasures from the Teuren Museum (134)	L	21-Feb-98	19-Apr-98	198,240	198,240						(198,240)	(198,240)
26	Hidden Treasures (160)	CH	01-Jan-98	01-Feb-98		13,500							(13,500)
27	Bouquets to Art	L	01-Mar-98	01-Mar-98	-	-						0	0
28	AOA rotation	D	01-Mar-98	ongoing	1,925	-						(1,925)	0
29	Achenbach 50th Anniversary (123)	L	18-Apr-98	06-Jul-98		10,000						0	(10,000)
30	Israeli Glass (159)	D	02-May-98	23-Aug-98		89,970		50,000	Osher - $30K Jewish Fed - $20K			0	(39,970)
31	Dior (Tentative)	D	Postponed		58,826	-						(58,826)	0
32	Youth Arts Festival	D	08-May-98	10-May-98	-	0						0	0
33	Textile Galleries	D	01-May-98	ongoing	9,808	9,808						(9,808)	(9,808)
34	Anderson Collection of Graphic Arts	L	09-May-98	09-Aug-98	9,250	9,250						(9,250)	(9,250)
35	AFGA Collection of Graphic Arts/Milton (161)	L	28-Feb-98	22-May-98	6,750	7,000						(6,750)	(7,000)
36	Stanley Spencer (133)	L	08-Jun-98	06-Sep-98	73,422	73,422						(73,422)	(73,422)
37	John Steuart Curry - Inventing the West (127)	D	13-Jun-98	30-Aug-98	82,656	82,656	82,656	82,656	Root			0	0
38	Recent Costume Acquisitions II	D	Postponed		3,225	0						(3,225)	0
39	George Fitch Collection (154)	D	01-Jun-98	01-Sep-98	-	9,350						0	(9,350)
40	Grants and Gifts To Be Raised											0	
		Total In-House Exhibits			1,458,935	1,585,974	232,371	307,738		375,175	401,897	(849,389)	(880,339)

Temporary Exhibition Personnel Costs = 173,814
Other Expense = 1,412,160

COFAM Balance Sheet At April 30,1998

ASSETS	
Cash	(61,089)
Cash Equivalents	3,679,680
Accounts Receivable	3,073,218
Prepaid Expenses	397,829
Note Receivable	100,000
Inventory - Store	746,866
Inventory - Publications	633,188
Investment in Bonds	855,000
Furniture & Equipment (Net)	505,981
	9,930,673

LIABILITIES & FUND BALANCES	
Accounts Payable	211,455
Other Accrued Liabilities	3,289,734
Deferred Income - Restricted	1,992,534
Deferred Income - Unrestricted	3,307,593
Fund Balances	
Unrestricted Fund	2,894,250
Plant Fund	(2,173,997)
Revenues over Expenses (Note 2)	409,104
	9,930,673

COFAM Reserve At 4/30/98 2,053,086

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,618,591
Bonds	855,000
Accounts Receivable	3,073,218
Less Accounts Payable	(211,455)
Less Other Accrued Liabilities	(3,289,734)
Less Deferred Income - Restricted	(1,992,534)
	2,053,086

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	485,370
Less Plant Fund	(303,199)
Plus Restricted Funds	226,933
Less Airport Fund	0
Surplus / (Deficit)	409,104

ASSETS	
Cash	465,277
Cash Equivalents	3,585,950
Accounts Receivable	3,041,677
Prepaid Expenses	367,176
Note Receivable	100,000
Inventory - Store	770,218
Inventory - Publications	601,377
Investment in Bonds	750,000
Furniture & Equipment (Net)	529,203
	10,210,878

LIABILITIES & FUND BALANCES	
Accounts Payable	481,226
Other Accrued Liabilities	3,293,756
Deferred Income - Restricted	1,708,292
Deferred Income - Unrestricted	3,128,047
Fund Balances	
Unrestricted Fund	2,894,250
Plant Fund	(2,173,997)
Revenues over Expenses (Note 2)	879,304
	10,210,878

COFAM Reserve At 3/31/98	2,359,630

Note 1 -- Reserve Formula

Cash & Cash Equivalents	4,051,227
Bonds	750,000
Accounts Receivable	3,041,677
Less Accounts Payable	(481,226)
Less Other Accrued Liabilities	(3,293,756)
Less Deferred Income - Restricted	(1,708,292)
	2,359,630

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	796,326
Less Plant Fund	(273,266)
Plus Restricted Funds	356,244
Less Airport Fund	0
Surplus / (Deficit)	879,304

Summary Notes
COFAM Fiscal Year 1998-99 Operating Budget Proposal
2 June 1998

Overview

The COFAM $15.6 million operating budget proposal for the fiscal year beginning 1 July 1998 is balanced with a projected $420,524 surplus, which is sufficient to cover plant fund depreciation and make a modest addition to the COFAM Reserve. This proposed budget has been reviewed in detail by the Budget Committee, which recommends it to the Board of Trustees for approval.

Next fiscal year is buoyed by the unusual occurrence of three major exhibitions. Namely, *Picasso and the War* at the Legion (10/10/98 – 1/3/99), followed by *Impressionists on the Seine: Effets de Neige* (1/30 - 5/3/99) at the Yerba Buena Gardens Center for the Arts. At the same time, the Center will hold two shows at the de Young in a unique exchange of exhibitions and audiences. *A Grand Design: The Art of the Victoria and Albert Museum* (2/13 - 5/9/99), which will be held at the Legion, caps an extraordinary year.

Most of the differences between this year's budget and the new fiscal year's tie to these three big shows. The good times in FY 98-99 are in sharp contrast to scraping by in the last twelve months due to (1) lost revenue from

the de Young, which can no longer have major exhibits because of the impact of the loss of federal indemnification insurance; and (2) the inability of the Legion to offset substantially fewer de Young visitors because of the Legion's smaller scale, out-of-the-way location, limited parking and poor public transit.

While next year's strong financial picture is very welcome, the underlying problems created by a de Young drawing about half the number of visitors it used to will re-emerge in FY 1999-2000 budget planning, as well as subsequent years, until a new museum is built.

# # #

The following notes highlight major resource and expense items in the same manner as the monthly budget reports.

Support -- $5.7 Million

Annual Contributions have a $2,655,000 goal, up $155,000 or 6% from the current year original budget. Gains are projected in the Associates, Patrons and National Council / Other categories. (For details, see budget Appendix "A" page 5.)

Foundation Endowment Support at $1,275,000 million is up $169,466 and is calculated on the distribution policy of 4% on a twenty-four month trailing average portfolio value at 31 March 1998. About 59% of the $65 million endowment generates unrestricted income; the other 41% is restricted to art acquisitions.

Specified Funds – i.e., restricted grants and donations offset dollar-for-dollar by expenses—are recognized at the beginning of the fiscal year when they are certain. As more specified funds are received during the year, the budget is revised in equal amounts of income and expense without any effect on the bottom line. The exception to this policy is $100,000 in exhibitions funds to be raised, which is typically a modest bet. New

de Young planning funds of $541,473 balloon the specified funds starting total next year. (Details in Appendix "B" page 6.)

COFAM Investment Income at $140,000 is the same as the current year. Income is earned on short term cash investments, managed by Wells Fargo plus interest from gifts of bonds, which by their terms cannot be sold at this time.

Revenue -- $10.4 Million

The visitor forecast drives general admission revenue, as well as store sales and café concession fees. Predicting the number of visitors is based on recent attendance patterns and anticipated exhibition popularity. This approach is reasonable but not infallible since even the most loyal museum goers don't always conform to a thoughtful budget model.

For next year, total attendance is projected to be 921,000 divided among 310,000 at the de Young, 377,700 at the Legion, and 233,300 for the Impressionist show at the Center for the Arts.

General admission fees continue at adults -- $7, seniors -- $5, youths -- $4, and under twelve years of age free, as are San Francisco K – 12 students, educational groups and members. This year the Legion is running 49% paid,

compared to the de Young at 39%. While all Legion fees go to COFAM; de Young fees are split 50-50 between COFAM and the Asian Art Museum Foundation.

General admission fees will not apply to the offsite Impressionist exhibit at the Center for the Arts. Instead, COFAM will retain all special entry fee income, and when the Center is using the de Young temporary exhibition galleries, it will be paid an amount equal to COFAM's 50% share of de Young admission revenues.

General Admissions revenue is pegged at $1,489,641 or about the same as the current year. (Details in Appendix "E" page 10.) In turn, predicted attendance at 921,000 visitors translates into **Store Gross Profits** of $1,601,215 up almost $760,000 from the current year. Net profits move to $620,000 from $275,000 currently. Both the Picasso and the Impressionist store projections are based on a Monet model of $6 gross sales per visitor. (Details in Appendix "D" page 9.) **Food and Beverage Concession Fees** of $153,078, which are slightly more than the current year. (Details in Appendix "F" page 11.)

Facility Rental Gross Income at $643,750 is up 7% from the current year revised goal. Next year sixty corporate rentals are expected to gross

$575,000; Legion Café and Theater rentals should generate another $143,750.

Benefit Gross Income at $313,000 includes the annual American Art Department event, a *Feast for the Eye* exhibition benefit, a joint venture with the Center for the Arts on the Artists' Ball in conjunction with the Impressionists show, and an X-Benefit to be arranged.

Exhibition Program Earned Income stands at $2,255,468, which is about $1,854,000 more than current year special entrance fees. The three charge shows are Impressionists in Winter (60% paid audience at $12 adults, $10 seniors and $9 youths), Picasso (60% paid and a $5 surcharge on general admissions fees) and Grand Design (60% paid and a $2.50 surcharge on general admissions fees). (Details in Appendix "C" page 7.)

Membership Dues income is expected to climb 15% to $2,850,000 by utilizing the three big shows to promote membership growth from about 45,000 now to 52,000.

Conservation Services Fees are generated from outside lab clients. In the main, fee income is offset by additional lab expenses, and the museum gains some conservator time for the permanent collection and temporary exhibitions. **Development Trip Fees** and expenses are budgeted to break even. **Publications Sales Net** is income from the sale of the museum's own

publications, especially exhibition catalogues for FAM-organized shows.

Other Fees run the gamut from docent lecture fees to photo reproduction use rights. (Details in Appendix "G" page 12.)

Personnel Expenses -- $8.1 Million

In the proposed budget, the combined COFAM / City ongoing workforce numbers 172 employees – 95 are on COFAM's payroll and 77 are City. The COFAM job count is down two; the City's is up two in the Mayor's budget plan, which has to be approved by the Board of Supervisors. Efforts to increase the size of the City-paid guard force in the permanent galleries, as well as replace temporary exhibit contract guards paid for by COFAM with City guards, did not succeed.

COFAM union wages are up 2.5% , and COFAM professional and managerial salaries average 4% to remain competitive nationally within the museum field. While personnel costs are up 10%, about half of this increase is for temporary labor associated with the three big shows. These show temporary labor increases are found in the Exhibition Program Temporary Labor line; the Membership line to run a member ticketing operation for the

Picasso and Impressionist shows; and in the Stores line to operate temporary stores during the Picasso and Impressionist shows.

The personnel table on the next page details City and COFAM positions by museum divisions and departments.

FAM Personnel Counts

	City			COFAM			Totals			
	Revised Budget FY 97-98	Mayor's Proposal FY 98-99	Change	Revised Budget FY 97-98	Proposed Budget FY 98-99	Change	Revised FY 97-98	Proposed FY 98-99	Change	Comments
1. Curatorial Division										
1.1 Curatorial	3	3	0	13	13	0	16	16	0	
1.2 Conservation	0	0	0	6	6	0	6	6	0	
1.2(a) Collection Imaging	0	0	0	1	1	0	1	1	0	
1.3 Exhibitions	0	0	0	15	14	-1	15	14	-1	
1.4 Registration	2	3	1	2	1	-1	4	4	0	
1.5 Library	0	0	0	1	1	0	1	1	0	
1.6 Education	0	0	0	6	6	0	6	6	0	
1.7 Publications	0	0	0	2	2	0	2	2	0	
	5	6	1	46	44	-2	51	50	-1	
2. Development Division										
Fund Raising	0	0	0	7	8	1	7	8	1	
Membership	0	0	0	8	7	-1	8	7	-1	
	0	0	0	15	15	0	15	15	0	
3. Administrative Division										
3.1 Administration	2	2	0	6	6	0	8	8	0	
3.1(a) Audience Development	0	0	0	1	1	0	1	1	0	
3.1(b)Media Relations & Advertising	0	0	0	4	4	0	4	4	0	
3.1(c)New Deyoung Planning	0	0	0	2	2	0	2	2	0	
3.2 Accounting	1	1	0	8	8	0	9	9	0	
3.3 Security	56	56	0	0	0	0	56	56	0	
3.3(a) Health & Safety	0	0	0	1	1	0	1	1	0	
3.4 Engineering	5	6	1	0	0	0	5	6	1	
3.5 Operations Group	2	2	0	3	3	0	5	5	0	
3.5(a) Volunteer & Visitor Services	4	4	0	2	2	0	6	6	0	
3.6 Human Resources	0	0	0	1	1	0	1	1	0	
3.7 Stores	0	0	0	8	8	0	8	8	0	
	70	71	1	36	36	0	106	107	1	
	75	77	2	97	95	-2	172	172	0	

Other Expenses -- $7.6 Million

Other expenses at close to $7.6 million are up 31% of which two-thirds is the one year bulge for the three big shows in the Exhibit Program line. These shows also impact many other expense lines. (Details in Appendix "H" page 13.)

The complexity of the other expense appendix defies a quick summary. But it's worth reviewing to understand the many activities in which the museum is engaged.

Support & Revenue Over Expenses

Assuming the fiscal year goes according to plan, the budget proposal projects an operating surplus of $420,524, which will offset some $300,000 in plant fund depreciation costs and make a modest addition to the COFAM Reserve.

bn99
3 June 1998
1:42pm

COFAM FY 98-99 Operating Budget Proposal

2 June 1998

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COFAM OPERATING BUDGET WORKING DRAFT - FY 1998/99

	(1) Actuals 6/30/97	(2) FY 1997/98 Original Budget	(3) FY 1997/98 Rolling Forecast 4/18/98	(4) FY 1998/99 Working Draft	(5) Variance 1998/99 to Rolling Forecast	
SUPPORT & REVENUE						
Support						
1) Annual Contributions	2,326,431	2,500,000	2,800,000	2,655,000	(145,000)	See Appendix "A" page 5
2) Bequests and Major Unrestricted Gifts	291,563	0	633,538	0	(633,538)	
3) Foundation Endowment Support	995,895	1,105,534	1,105,534	1,275,000	169,466	
4) Specified Funds						See Appendix "B" page 6
--Curatorial/Conservation	420,388	319,100	459,377	413,915	(45,462)	
--Achenbach Collection Mgmt. Project	10,103	0	0	0	0	
--Publications	649	68,000	92,864	50,000	(42,864)	
--Exhibition Funds Secured	685,527	232,371	307,738	234,877	(72,861)	See Appendix "C" pages 7 and 8
--Exhibition Funds To Be Raised	0	100,000	0	100,000	100,000	
--Education Programs	374,713	271,000	351,849	284,145	(67,704)	
--New deYoung Planning			566,102	541,473	(24,629)	
--General	241,204	65,000	65,500	25,348	(40,152)	
Subtotal Specified Funds	1,732,584	1,055,471	1,843,430	1,649,758	(193,672)	
5) COFAM Investment Income	171,564	140,000	140,000	140,000	0	
Subtotal Support	5,518,037	4,801,005	6,522,502	5,719,758	(802,744)	

COFAM OPERATING BUDGET WORKING DRAFT - FY 1998/99

	(1) Actuals 6/30/97	(2) FY 1997/98 Original Budget	(3) FY 1997/98 Rolling Forecast 4/18/98	(4) FY 1998/99 Working Draft	(5) Variance 1998/99 to Rolling Forecast	
Revenue						
6) Museum Store Sales	2,723,921	2,492,955	2,032,237	3,762,704	1,730,467	See Appendix "D" page 9
Less Discounts	(130,379)	(149,660)	(99,932)	(174,995)	(75,063)	
Less Cost of Goods	(1,370,550)	(1,299,447)	(1,075,601)	(1,874,684)	(799,083)	
Less Commissions and Royalties	(5,471)	(15,449)	(15,449)	(111,810)	(96,361)	
Gross Profit	1,217,521	1,028,399	841,255	1,601,215	759,960	
7) Facilities Rental Gross	623,053	700,000	600,000	643,750	43,750	Corporate rentals $575K, Legion Café and Theater rentals $143.7K
8) Benefits Gross Income	150,653	245,000	236,274	313,000	76,726	
9) General Admissions COFAM Net	1,701,758	1,881,750	1,441,425	1,489,641	48,216	See Appendix "E" page 10
10) Food & Beverage Concession Fees	170,821	159,884	146,095	153,078	6,983	See Appendix "F" page 11
11) Exhibition Program Earned Income	665,965	375,175	401,897	2,255,468	1,853,571	See Appendix "C" pages 7 and 8
14)FAM Membership Dues	2,476,440	2,622,240	2,472,240	2,850,000	377,760	
15) Conservation Services	241,195	254,270	275,000	351,700	76,700	
16) Miscellaneous						
--Development Trip Fees	122,185	140,000	210,000	212,500	2,500	
--Publication Sales Net	272,953	105,500	150,335	114,120	(36,215)	
--Other Fees	359,426	275,820	378,000	360,450	(17,550)	See Appendix "G" page 12
Subtotal Revenue	8,001,770	7,788,038	7,152,521	10,344,922	3,192,401	
Total Support & Revenue	13,519,807	12,589,043	13,675,023	16,064,680	2,389,657	

	(1) Actuals 6/30/97	(2) FY 1997/98 Original Budget	(3) FY 1997/98 Rolling Forecast 4/18/98	(4) FY 1998/99 Working Draft	(5) Variance 1998/99 to Rolling Forecast
EXPENSES					
Personnel Expenses					
17) Curatorial					
Curatorial/Conservation/Education	2,146,301	2,262,805	2,267,652	2,368,612	100,960
Project Funded/Term Employees	437,470	438,761	492,604	572,240	79,636
Exhibit Group	736,849	814,231	807,178	838,688	31,510
Exhibit Program Temporary Labor	244,244	173,814	173,814	380,656	206,842
18) Development					
Development - General	477,105	477,009	476,203	517,370	41,167
Membership	470,053	472,064	437,558	539,465	101,907
19) Administration					
Administration General	1,132,940	1,138,927	1,162,245	1,198,580	36,335
Media Relations & Advertising	263,207	282,510	270,475	282,064	11,589
New deYoung Planning			166,102	191,707	25,605
Operations Group	304,740	316,403	315,985	339,029	23,044
Stores	482,378	447,647	489,236	573,374	84,138
Facilities Rental	197,099	212,167	244,136	264,540	20,404
Subtotal Personnel	6,892,386	7,036,338	7,303,188	8,066,325	763,137

Union Wages up 2.5% from current year

Professional Salaries up an average of 4% from current year

Staff Size	Original 97 - 98	Rolling #2 97 - 98	Proposed 98-99
City	75	75	77
COFAM	95	97	95
Totals	170	172	172

COFAM benefits = 28% for single employees
and 32% for employees with dependents

	(1) Actuals 6/30/97	(2) FY 1997/98 Original Budget	(3) FY 1997/98 Rolling Forecast 4/18/98	(4) FY 1998/99 Working Draft	(5) Variance 1998/99 to Rolling Forecast
Other Expenses					
20) Curatorial					
Curatorial/Conservation/Education	632,189	635,393	620,434	753,381	132,947
Publications	(1,443)	68,000	92,864	50,000	(42,864)
Exhibit Group	79,462	99,000	90,100	135,963	45,863
Exhibit Program	1,470,079	1,283,121	1,412,160	2,616,105	1,203,945
21) Development					
Development - General	594,473	615,170	643,585	695,900	52,315
Benefits	129,841	163,000	113,305	138,000	24,695
Membership	434,181	393,222	379,900	483,072	103,172
Magazine / Guide	267,556	267,800	267,800	264,500	(3,300)
22) Administration					
Administration General	963,440	707,543	755,333	857,505	102,172
Media Relations & Advertising	449,437	416,800	375,120	472,150	97,030
New deYoung Planning	159,869		400,000	350,000	(50,000)
Operations Group	535,056	568,675	542,431	607,055	64,624
Stores	137,167	100,000	77,500	133,850	56,350
Facilities Rental	33,142	17,750	15,975	20,350	4,375
Subtotal Other Expenses	5,884,449	5,335,474	5,786,507	7,577,831	1,791,324
Total Expenses	12,776,835	12,371,812	13,089,895	15,644,156	2,554,461
SUPPORT & REVENUE OVER EXPENSES	742,972	217,231	585,328	420,524	(164,804)
COFAM SUPPORT OF BOND MEASURE CAMPAIGN	(171,980)	0	(600,000)	0	(600,000)
SUPPORT & REVENUE OVER EXPENSES	570,992	217,231	(14,672)	420,524	435,196
LESS PLANT FUND DEPRECIATION	(403,103)	(300,000)	(300,000)	(300,000)	0
	167,889	(82,769)	(314,672)	120,524	435,196

See Appendix "H" pages 13 - 17

Contribution Categories	(1) FY 91-92 Actuals	(2) FY 92-93 Actuals	(3) FY 93-94 Actuals	(4) FY 94-95 Actuals	(5) FY 95-96 Actuals	(6) FY 96-97 Actuals	(7) FY 97-98 Original Budget	(8) FY 97-98 Rolling forecast 4/18/98	(9) FY 98-99 Goals
1) Associates ($5,000 and up)	888,465	967,998	928,378	1,002,438	1,065,571	1,415,787	1,400,000	1,750,000	1,500,000
2) Patrons ($2,500 - $4,999)	0	0	0	0	25,328	68,590	55,000	75,000	100,000
3) Friends ($1,000 - $2,499)	164,940	161,830	165,898	212,396	359,769	393,710	450,000	420,000	450,000
4) National Council/Other	84,843	6,686	10,249	18,105	49,224	61,294	45,000	55,000	55,000
5) Mail Drive	181,308	163,599	169,431	108,608	181,795	114,093	150,000	125,000	150,000
6) Phone Campaign	189,524	140,320	91,705	120,442	11,490	76,984	150,000	125,000	150,000
7) Business	107,762	126,790	64,330	70,837	97,588	116,632	150,000	150,000	150,000
8) Foundations	64,500	53,825	59,260	90,810	88,543	79,341	100,000	100,000	100,000
	1,681,342	1,621,048	1,489,251	1,623,636	1,879,308	2,326,431	2,500,000	2,800,000	2,655,000

APPENDIX "B" - SPECIFIED FUND REVENUE - FISCAL YEAR 1998-99

DESCRIPTION	Project #	BUDGET	SOURCE
CURATORIAL			
AMERICAN ART PERSONNEL COSTS		228,384	ROOT
CONSERVATION PERSONNEL (25% PTGS/OBJECTS)		63,107	ROOT
DEMUTH CATALOG RAISONNE	813	5,000	ROOT
AMERICAN ART NON-AAA MICROFILM AND BOOKS	750	12,321	PERRY/BARCLEY
TRIUMPH OF PRUDENCE TAPESTRY CONSERVATIC	795	21,000	IMS
DESESTO MADONNA & CHILD CONSERVATION	785	27,253	KRESS
ORMOLU PROJECT	788	1,850	HUNTINGTON FUND
AMERICAN COLLECTION IMAGING	816	54,000	ROCKEFELLER - $35k, CAC - $19k
TAC CONSERVATION INTERN	742	1,000	TAC
TOTAL CURATORIAL		413,915	
PUBLICATIONS			
GUIDE TO THE EUROPEAN GALLERIES	342	20,000	MELLON ENDOWMENT INCOME
PICASSO CATALOG	358		NEA, NEH?
WIEDERSPERG COLLECTION	358	30,000	MELLON ENDOWMENT INCOME
		50,000	
EXHIBITIONS			
JOHN STUART CURRY - INVENTING THE WEST	127	30,832	ROOT
ARNOLD GENTHE	168	16,740	ROOT
PICASSO AND THE WAR	105	120,000	NEA, NEH?
SAXE COLLECTION	163	67,305	ROOT
TOTAL EXHIBITIONS		234,877	
EDUCATION PROGRAMS			
EDUCATION PROGRAM - GENERAL		114,980	CALIFORNIA ARTS COUNCIL (CAC)
SCHOOL PROGRAM - GENERAL		25,860	HEARST - $17.7K, HARRISON - $6.5K, CAC - $700
POET IN THE GALLERIES	734	13,000	CAC - $5K, HARRISON - $3.9K, HEARST $4.1K
MUSEUM AMBASSADORS		79,100	ADAMS - $35.3, HEARST - $3.2K, PIC - $18.4K, LURIE - $2.5K, CAC - $19.1K
DOING AND VIEWING		1,500	CAC - $1,500
BRADLEY ORGAN CONCERTS AND LECTURES	701	49,705	BRADLEY
TOTAL EDUCATION		284,145	
NEW deYOUNG PLANNING	612	541,473	VARIOUS DONORS
GENERAL			
FIRST WEDNESDAY EVENINGS	714	25,348	ESSEY
TOTAL GENERAL		25,348	
GRAND TOTAL		1,549,758	

Appendix "C" -- Exhibition Program FY 1998-99

		venue	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
	In-House Exhibitions												
1	Achenbach 50th Anniversary (123)	L	18-Apr-98	05-Jul-98	1,800							(1,800)	0
2	Ancient Glass from the Holy Land (159)	D	02-May-98	16-Aug-98	27,005							(27,005)	0
3	Contemporary Screenprints: Anderson	L	09-May-98	23-Aug-98	-							0	0
4	Stanley Spencer (133)	L	06-Jun-98	06-Sep-98	33,390							(33,390)	0
5	John Steuart Curry (127)	D	13-Jun-98	30-Aug-98	30,832		30,832		Root			0	0
6	George Fitch Collection	D	13-Jun-98	06-Sep-98	3,300							(3,300)	0
7	Recent Costumes II	D	11-Jul-98	15-Nov-98	4,125							(4,125)	0
8	Wealth of the Thracians (186)	L	08-Aug-98	11-Oct-98	206,825							(206,825)	0
9	Charles Jones	D	19-Sep-98	06-Dec-98	10,550							(10,550)	0
10	Feast for the Eye	D	26-Sep-98	13-Dec-98	89,182							(89,182)	0
11	Logan Book Room (4 rotations each year)	L	01-Oct-98	ongoing	15,000							(15,000)	
12	Picasso and the War (105)	L	10-Oct-98	03-Jan-99	666,489		120,000		NEA	445,350	Admissions 300/hr $5 60 % paid, Audiotour $30,000 (15%)	(101,139)	0
13	Textile Rotation (114)	D	31-Oct-98	28-Feb-99	7,625							(7,625)	0
14	Reinstall Legion (1-4) (5/8 in May)	L	01-Nov-98	15-Nov-98	29,353							(29,353)	0
15	Fred Wilson Intervention	D	01-Dec-98	02-May-98	24,990							(24,990)	
16	Day Without Art	D	01-Dec-98		2,920							(2,920)	
17	Recent Costume Acquisitions III	D	05-Dec-98	27-Jun-99	5,925							(5,925)	0
18	Arnold Genthe	D	19-Dec-98	21-Mar-99	18,740		16,740		Root			0	0
19	Impressionists In Winter (109)	YBG	30-Jan-99	03-May-99	916,800					1,607,518	Admissions 350/hr 60% paid Audiotour $50,000 (15%)	690,718	0
20	A Grand Design: The Art of Victoria and Albert (181)	L	13-Feb-99	09-May-99	554,026					159,300	Admissions 200/hr / $2.50 Audiotour $15,000 (15%) 60% paid	(394,726)	
21	Anderson: Claes Oldenburg	L	06-Feb-99	16-May-99	15,050							(15,050)	

Continued

Appendix "C" -- Exhibition Program FY 1998-99

		v e n u e	(1) Runs		(2) Cost		(3) Gifts and Grants		(4) Income		(5) Nets	
					Original	Revised	Original	Revised	Original	Revised	Original	Revised
22	Bouquets to Art	L	01-Mar-98	01-Mar-98	-						0	0
23	Textile Rotation	D	27-Mar-99	31-Oct-99	7,625						(7,625)	0
24	Achenbach (36/37 TBA)	D	10-Apr-99	04-Jul-99	10,600						(10,600)	
25	AOA rotation	D	15-Apr-99	ongoing	3,000						(3,000)	0
26	American Hall Cases	D	01-Apr-98	ongoing	6,550						(6,550)	
27	A la Pintura: Motherwell (Andereon gallery 5)	L	31-Oct-98	31-Jan-99	15,050						(15,050)	
28	Youth Arts Festival	D	06-May-98	10-May-98	-						0	0
29	Francis Bacon	L	13-Jun-99	02-Aug-99	205,541						(205,541)	0
30	Saxe Collection	D	26-Jun-99	17-Oct-99	67,305		67,305	Root			0	
31	Grants and Gifts To Be Raised						100,000				100,000	
		Subtotal In-House Exhibits			2,977,598	-	334,877	-	2,212,168	-	(430,553)	0
	FAM Travelling Exhibitions											
32	Crown Point Press (142)		01-Jul-98		2,500				8,300		5,800	
34	If the Shoe Fits		01-Dec-98								0	
35	Ancient Glass from the Holy Land		01-Nov-98		16,683				35,000		18,337	
	Subtotal Traveling Tours				19,183	0	0	0	43,300	0	24,137	0
	Total In House and Traveling Exhibitions				2,996,781	0	334,877	0	2,255,468	0	(406,416)	0

Temporary Exhibition Personnel Costs =	380,656	
Other Expense =	2,616,105	
	2,996,781	

APPENDIX "D" - STORES REVENUE AND EXPENSE BUDGETS - FY 1998/99

	In House Merchandising				Outside Merchandising			
	(1) deYoung Store Budget	(2) Legion Store Budget	(3) Picasso Budget	(4) Impressionists Budget	(5) Wholesale & Royalties Budget	(6) Grand Totals Budget	(7) Rolling Forecast 4/18/98	(8) Variance
Sales	550,000	872,554	895,500	1,339,800	104,850	3,762,704	2,032,237	1,730,467
Discounts	(33,000)	(43,628)	(44,775)	(53,592)	0	(174,995)	(99,932)	(75,063)
Cost of Goods	(280,500)	(453,728)	(447,750)	(629,706)	(63,000)	(1,874,684)	(1,075,601)	(799,083)
Commissions and Royalties	0	0	(35,820)	(66,990)	(9,000)	(111,810)	(15,449)	(96,361)
Gross Profit	236,500	375,198	367,155	589,512	32,850	1,601,215	841,255	759,960
Personnel Expenses	164,814	194,154	69,735	114,471	30,201	573,374	489,236	84,138
Other Expenses	43,050	14,000	7,000	65,000	4,800	133,850	77,500	56,350
Total Expenses	207,864	208,154	76,735	179,471	35,001	707,224	566,736	140,488
Gross Profit Over Expenses	28,636	167,044	290,420	410,041	(2,151)	893,991	274,519	619,472
Store numbers based on the following assumptions:								
Number of Visitors	310,000	377,700	149,250	223,300				
$ per head	$1.77	$2.31	$6.00	$6.00				
			Based on Monet Store	Based on Monet Store				

APPENDIX E - ADMISSIONS WORKSHEET REVENUE - FY 1998-1999

deYoung revenue based on $2.54 per visitor, 39.0% paid attendence (average 7/97-4/98)

Legion revenue based on $3.25 per visitor, about 50% paid attendance, Legion FY98 history and FY99 exhibit draw.

ADMISSION FEES	Legion	deYoung/ Asian
Adult	$7	$7
Senior	5	5
Junior	4	4
Annual Student Pass	10	10
Children under 12	Free	Free

	Jul-98	Aug-98	Sep-98	Oct-98	Nov-98	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	Mey-99	Jun-99	TOTALS
DEYOUNG VISITORS	30,000	35,000	25,000	25,000	25,000	20,000	25,000	25,000	25,000	25,000	25,000	25,000	310,000
ATTRACTIONS	Glass Curry	Glass Curry	Curry Food	Food	Food			C/A YBG	C/A YBG	C/A YBG		Saxe	
LEGION VISITORS	20,000	30,000	25,000	40,000	48,000	53,000	20,000	25,000	40,000	33,700	25,000	20,000	377,700
ATTRACTIONS	Spencer	Thrace Spencer	Thrace	Picasso	Picasso	Picasso		V&A (50%)	V&A Bouquets	V&A	V&A (30%)	Bacon(50%)	
												TOTALS	687,700
DEYOUNG ADMISSIONS REVENUE	$78,200	$88,900	$63,500	$63,500	$63,500	$50,800	$63,500	$63,500	$63,500	$63,500	$63,500	$63,500	$787,400
LESS DEYOUNG ADMISSIONS EXPENSE	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,311)	(7,311)	(87,722)
DEYOUNG ADMISSIONS NET	88,890	81,590	56,190	56,190	56,190	43,490	56,190	56,190	56,190	56,190	56,189	56,189	699,678
LEGION ADMISSIONS REVENUE	65,000	97,500	81,250	130,000	149,500	172,250	65,000	81,250	130,000	109,525	81,250	65,000	1,227,525
LESS LEGION ADMISSIONS EXPENSE	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,310)	(7,311)	(7,312)	(87,723)
LEGION ADMISSIONS NET	57,690	90,190	73,940	122,690	142,190	164,940	57,690	73,940	122,690	102,215	73,939	57,688	1,139,802
COFAM SHARE OF GENERAL ADMISSIONS	92,135	130,985	102,035	150,785	170,285	186,685	85,785	102,035	150,785	130,310	102,034	85,783	1,489,641
= 100% Legion and 50% deYoung/Asian CUMULATIVE	92,135	223,120	325,155	475,940	646,225	832,910	918,695	1,020,730	1,171,515	1,301,825	1,403,859	1,489,641	1,489,641
AAM SHARE OF GENERAL ADMISSIONS	34,445	40,795	28,095	28,095	28,095	21,745	28,095	28,095	28,095	28,095	28,095	28,095	349,839
= 50% deYoung Asian CUMULATIVE	34,445	75,240	103,335	131,430	159,525	181,270	209,365	237,460	265,555	293,650	321,745	349,839	

Recent Attendance	Legion	deYoung/Asian	Totals	
FY 93-94 Actual	0	606,586	606,586	
FY 94-95 Actual	0	882,138	882,138	
FY 95-96 Actual	406,482	491,206	897,688	
FY 96-97 Actual	352,450	570,900	923,350	
FY 97-98 Projected	330,217	306,097	636,314	
FY 98-99 Forecast	377,700	310,000	687,700	+ 233,300 Impressionism @ YBG Center for Arts = 921,000 visitors

Exhibition Assumptions

Picasso	Legion 10/1/98 - 1/3/99	300 visitors / hour = 149,250 attendance with 80% paid
Impressionism	YBG Center for Arts 1/30 - 5/3/99	350 visitors / hour = 223,300 attendance with 80% paid
Grand Design aka V & A	Legion 2/13 - 5/9/99	200 visitors / hour = 96,200 attendance with 60% paid

APPENDIX "F" - FOOD AND BEVERAGE CONCESSION FEES PROJECTION - FY 1998-99

CAFE SALES PER PERSON BASED ON JULY - APRIL 1998

DeYOUNG	$1.18
LEGION	$1.80

CAFE CATERING PER MONTH BASED ON JULY - APRIL 1998 AVERAGE

DeYOUNG	$7,230
LEGION	$55,197

MONTH	DeYOUNG ATTENDANCE	DeYOUNG SALES	DeYOUNG CATERING	TOTAL DeYOUNG	LEGION ATTENDANCE	LEGION SALES	LEGION CATERING	TOTAL LEGION
JULY	30,000	$35,400	$7,230	$42,630	20,000	$36,000	$55,197	$91,197
AUGUST	35,000	41,300	7,230	48,530	30,000	54,000	55,197	109,197
SEPTEMBER	25,000	29,500	7,230	36,730	25,000	45,000	55,197	100,197
OCTOBER	25,000	29,500	7,230	36,730	40,000	72,000	55,197	127,197
NOVEMBER	25,000	29,500	7,230	36,730	46,000	82,800	55,197	137,997
DECEMBER	20,000	23,600	7,230	30,830	53,000	95,400	55,197	150,597
JANUARY	25,000	29,500	7,230	36,730	20,000	36,000	55,197	91,197
FEBRUARY	25,000	29,500	7,230	36,730	25,000	45,000	55,197	100,197
MARCH	25,000	29,500	7,230	36,730	40,000	72,000	55,197	127,197
APRIL	25,000	29,500	7,230	36,730	33,700	60,660	55,197	115,857
MAY	25,000	29,500	7,230	36,730	25,000	45,000	55,197	100,197
JUNE	25,000	29,500	7,230	36,730	20,000	36,000	55,197	91,197
TOTALS	310,000	$365,800	$86,760	$452,560	377,700	$679,860	$662,364	$1,342,224

CONCESSION FEE SCHEDULE
FISCAL YEAR 1998/99

MONTH	CONCESSION FEES @ 6%	TOTAL REVENUE OVER $55K	CONCESSION FEES @ 10%	TOTAL CONCESSION FEES
JULY	$3,300	$78,827	$7,883	$11,183
AUGUST	3,300	102,727	10,273	13,573
SEPTEMBER	3,300	81,927	8,193	11,493
OCTOBER	3,300	106,927	10,693	14,193
NOVEMBER	3,300	119,727	11,973	15,273
DECEMBER	3,300	126,427	12,643	15,943
JANUARY	3,300	72,927	7,293	10,593
FEBRUARY	3,300	81,927	8,193	11,493
MARCH	3,300	106,927	10,693	14,193
APRIL	3,300	97,587	9,759	13,059
MAY	3,300	81,927	8,193	11,493
JUNE	3,300	72,927	7,293	10,593
TOTALS	$39,600	$1,134,784	$113,478	$153,078

MONTH	TOTAL SALES	TOTAL CATERING	TOTAL REVENUE
JULY	$71,400	$62,427	$133,827
AUGUST	95,300	62,427	157,727
SEPTEMBER	74,500	62,427	136,927
OCTOBER	101,500	62,427	163,927
NOVEMBER	112,300	62,427	174,727
DECEMBER	119,000	62,427	181,427
JANUARY	65,500	62,427	127,927
FEBRUARY	74,500	62,427	136,927
MARCH	101,500	62,427	163,927
APRIL	90,160	62,427	152,587
MAY	74,500	62,427	136,927
JUNE	65,500	62,427	127,927
TOTALS	$1,045,660	$749,124	$1,794,784

	DESCRIPTION	(1) FY 97/98 BUDGET	(2) FORECAST ROLLING 4/18/97	(3) FY 98/99 PROJECTIONS	(4) VARIANCE (3) - (2)
1	LOCATION USE AND ART LOAN FEES	20,000	40,000	40,000	0
2	PHOTO SALES	25,000	40,000	40,000	0
3	AIRPORT FEES	24,000	37,000	30,000	(7,000)
4	ART POINT REVENUES	59,320	65,000	50,000	(15,000)
5	DONATIONS (FREE FIRST WEDNESDAYS, ETC	18,000	18,000	18,000	0
6	COAT CHECK	3,000	3,500	3,000	(500)
7	ADULT ED PROGRAMS	31,500	31,500	28,450	(3,050)
8	DOCENT FEES/TOURS	30,000	35,000	35,000	0
9	PUBLICATION ROYALTIES	500	500	500	0
10	MEMBERSHIP DONATIONS	25,000	35,000	35,000	0
11	AUDIO TOUR - LEGION	4,500	2,500	2,500	0
12	OTHER	35,000	70,000	78,000	8,000
	TOTALS	275,820	378,000	360,450	(17,550)

Appendix "H" -- COFAM Other Expense Summary FY 1998-99 Draft

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			FY 1997-98	Department		FY 1998-99		
		FY 1997-98	Rolling	Requested	Proposed	Spec Fnd or	Equipment	
	FY 1996-97	Original	Forecast	FY 1998-99	FY 1998-99	Fee Covg	Purchases	
	Actuals	Budget	Apr-98				over $1K	Notes
Division / Departments								
Curatorial / Conservation								
101 Office of the Chief Curator	59,817	59,500	53,550	59,500	59,500			
101-XXX Ancient Art & Interpretation	1,646	2,000	1,800	2,000	2,000			
103 Library	33,255	40,150	36,135	40,150	40,150			
104 Registration	86,466	60,000	35,625	47,920	40,920		2,250	
104-743 Registration: Loans Out - Reimbursable	15,561	20,000	20,000	20,000	20,000	20,000		
104-811 Registration: Acquisitions Freight	6,160	10,000	9,000	10,000	10,000			
105 Permanent Collection Maintenance	4,768	7,000	6,300	9,000	9,000			
106 Collection Imaging			18,375	35,000	25,000		5,000	
106-778 Collection Imaging Project	14,257	32,215	32,215	30,000	30,000			
106-816 American Collection Imaging	-		12,979	12,000	12,000			
401-952 Internet Marketing	34,317	29,100	26,190	35,100	35,100			
111 European Art	1,281	1,750	1,575	2,019	2,019			
112 American Art	4,536	260	234	260	260			
112-736 American Art Study Center		10,200	10,200	6,300	6,300			
112-813 American Art: Demuth Catalogue Research	-	12,000	12,000	12,000	5,000	5,000		Root
112-750 Archives of American Art	9,177	10,000	10,000	14,321	14,321	14,321		Barcley fund - $12.3k , Root - $2k
113 Textiles	3,657	1,750	4,203	700	700			
113-738 NEA Andean Textiles	627	0	0					
113-730 McCoy Jones Project	19	9,950	20,800	17,310	17,310			
113-769 Weidersperg Carpet Preparation		9,000	11,028	-	-			
115 Achenbach	9,856	8,000	7,200	14,500	8,000			
115-724 NEA Crown Point Manuscript	1,814	0	0					
117 AOA	4,151	1,100	990	1,100	1,100			
121 Paintings Conservation	11,413	8,100	7,290	14,300	10,600		3,700	
121-768 Ptgs Consv: Contract Lab Work	1,466	1,000	1,000	1,000	1,000	1,000		
122 Textiles Conservation	12,326	5,300	4,770	5,300	5,300			
122-739 Tex Consv: Contract Work	2,949	1,500	1,500					
122-748 Tex Consv: Storage Pest Control	703	4,370	4,370	3,300	3,300			
122-795 Tex Consv: IMS FortitudeTapestry Treatment	2,674	0	0	4,000	4,000	4,000		IMS
123 Paper Conservation	13,809	3,600	3,240	3,600	3,600			
123-744 Paper Conservation -- Regional Lab	10,645	12,095	12,095	19,500	19,500	19,500		
123-720 Achenbach Collection Management Project	852	0	0					
124 Objects Conservation	5,970	11,000	9,900	7,150	7,150	2,000		
124-740 Objects Consv: Contract Work	25,581	7,000	7,000	42,150	42,150	42,150		
124-786 Vielles Maison Conservation	2,165	3,230	3,230					
124-788 Objects Consv: Ormolu Conservation	-	3,050	3,050	1,850	1,850	1,850		
124-791 Kress Conservation Intern	9,960	0	0					
124-789 Objects Consv: SF City Sculpture	4,470	0	0					
124-790 Objects Consv: Airport Exhibition Projects	23,132	14,000	14,000	54,800	54,800	54,800		Airport
	419,480	398,220	401,844	526,130	491,930	164,621	10,950	
Education								

Appendix "H" -- COFAM Other Expense Summary FY 1998-99 Draft

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			FY 1997-98	Department		FY 1998-99		
		FY 1997-98	Rolling	Requested	Proposed	Spec Fnd or	Equipment	
	FY 1996-97	Original	Forecast	FY 1998-99	FY 1998-99	Fee Covg	Purchases	
	Actuals	Budget	Apr-98				over $1K	Notes
Division / Departments								
131 Ed: School Program	22,467	24,000	24,000	47,380	47,380	24,500		Hearst, Harrison
131-734 Ed: Poet-In-The-Galleries	12,887	20,000	20,000	13,500	13,500	13,500		CAC, Harrison
131-746 Ed: Trustees Education Committee	491	900	900	720	720			
131-757 Ed: Youth Arts Festival	24,566	20,000	20,000	18,764	19,997			$2,114 personnel
131-756 Ed: Gallery 1 Education Room	13,941	23,500	23,500	700	700			$2,714 personnel
131-762 Ed: Teachers Resource Center	-		3,700	15,000	13,500			
131-793 Ed: Reading Rooms	-			2,400	2,400			$600 personnel
133 Ed: Museum Ambassadors	11,853	6,650	6,650	8,300	7,600	7,600		Adams, Hearst, CAC, Lurie, PIC
134 Ed: Trucks/Classes/Demos	4,318	0	0	2,400	2,400			
134-752 Ed: Hills Project	234	0	0					
131-758 Ed: Video Project (Eldorado Fdn)	1,349	0	0					
134-798 Ed: Doing & Viewing - deYoung	259	5,600	5,600	8,100	7,100			
134-799Ed: Doing & Viewing - Legion	-	3,822	3,822	3,822	2,822			
135 - Adult Educations Programs	91,440	61,695	61,695	79,292	61,392			
135-701 Ed: Legion Organ Concerts	-	36,765	36,765	38,875	49,705	49,705		Bradley fund
141 Ed: Docent Council - General	14,458	21,468	19,321	19,065	19,065	6,470	1,325	Asian Art Museum reimbursement
142 Ed: Docent Council - Western	6,772	7,293	7,293	7,790	7,790			
143 Ed: Docent Council - AOA	7,674	5,480	5,480	5,380	5,380			
	212,709	237,173	238,726	271,488	261,451	101,775	1,325	
Curatorial / Conservation / Education	632,189	635,393	620,434	797,618	753,381			
Publications								
102-XXX Publications: Works-In-Progress	(1,443)	68,000	92,864	50,000	50,000	50,000		Mellon
Exhibit Group								
231 Exhibit Planning	32,315	32,700	29,430	30,000	30,000			
231-105 Nash Picasso Sabatical	-	10,000	10,000	-	-			
232 Graphic Design	11,721	16,300	14,670	13,750	13,750		9,100	
233 Exhibit Support Technicians	35,426	40,000	36,000	66,333	66,333		2,900	
233-794 Exhibition Lighting				28,210	25,880			
	79,462	99,000	90,100	138,293	135,963	0	12,000	
Exhibit Program								
24X-XXX Exhibit Program	1,470,079	1,283,121	1,412,160	2,575,112	2,575,112	315,925		
Subtotal Curatorial Division	2,180,287	2,085,514	2,215,558	3,561,023	3,514,456	365,925	12,000	

Appendix "H" -- COFAM Other Expense Summary FY 1998-99 Draft

	(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)	
		FY 1997-98	FY 1997-98 Rolling	Department Requested	Proposed	FY 1998-99 Spec Fnd or	Equipment Purchases			
	FY 1996-97 Actuals	Original Budget	Forecast Apr-98	FY 1998-99	FY 1998-99	Fee Covg	over $1K		Notes	
Division / Departments										
DEVELOPMENT DIVISION										
Development General										
301 Office of the Dep Dir Development	91,815	64,450	58,005	58,950	58,950					
302 Government/Foundation Grants	2,220	2,750	2,475	17,950	17,950					
303 Corporate Fundraising	6,646	12,000	12,000	11,500	11,500					
305 Art Point	41,182	59,320	58,120	49,200	49,200					
311 Individual Support Under $5,000	2,624	8,350	7,515	12,750	12,750					
312 Mail Campaign	53,857	50,000	45,000	60,000	60,000					
313 Friends and Patrons ($1,000 - $4,999)	1,407	0	0							
314 Phone Campaign	47,357	60,000	54,000	57,000	57,000					
321 Associates ($5,000 up)	20	10,150	9,135	9,800	9,800					
322 Trips	114,282	140,000	210,000	212,500	212,500					
323 Nat'l Council	14,274	5,350	4,815	6,250	6,250					
331-XXX FAM Development Events	103,880	141,800	127,620	157,500	157,500					
332-XXX Exhibition Openings	114,909	61,000	54,900	42,500	42,500					
	594,473	615,170	643,585	695,900	695,900					
Benefits										
333-XXX Benefits	88,358	140,000	82,038	105,000	105,000					
112-736 American Art Studies Benefit	41,483	23,000	31,267	33,000	33,000					
	129,841	163,000	113,305	138,000	138,000					
FAM MEMBERSHIP SERVICES										
531 Membership General	131,865	146,000	153,400	178,300	178,300					
532 Members Events	46,875	62,200	55,980	36,700	45,200				Plus $16,00 in security personnel	
533 Membership Promotion	168,673	157,500	145,750	239,900	239,900				Plus $51,900 in temporary personnel	
541 Data Base Services	86,768	27,522	24,770	34,672	19,672					for membership tickets
	434,181	393,222	379,900	489,572	483,072	0	0			
551 FAM Member Magazine and Guide	267,556	267,800	267,800	264,500	264,500					
Subtotal Development Division	1,426,051	1,439,192	1,404,590	1,587,972	1,581,472	0	0			
ADMINISTRATIVE DIVISION										
Administration General										

Appendix "H" -- COFAM Other Expense Summary FY 1998-99 Draft

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
			FY 1997-98	Department		FY 1998-99			
		FY 1997-98	Rolling	Requested	Proposed	Spec Fnd or	Equipment		
	FY 1996-97	Original	Forecast	FY 1998-99	FY 1998-99	Fee Covg	Purchases		
	Actuals	Budget	Apr-98				over $1K	Notes	
Division / Departments									
401 Office of the Director	103,995	38,000	34,200	38,000	38,000				
402 Audience Development	86,924	25,000	22,500	58,300	25,000				
422 Gould Theater	221	0	0	17,232	10,732		4,000		
135-714 Extended Hours	26,826	2,000	20,000	23,000	23,000	23,000		Essey Fund	
441 Accounting -- General	128,684	111,100	111,100	120,350	120,350		6,100		
442 Admissions - deYoung	3,826	3,695	3,695	2,925	2,925				
442 Admissions - Legion	3,657	2,650	2,650	4,270	4,270				
451 Administration -- General	543,197	497,198	447,478	498,700	498,700		73,000		
451-823 Golden Gate Park Shuttle	3,595	6,000	6,000	-	-				
451-806 Legion Tuesdays	22,094	0	88,000	89,000	90,200				
454 Legion Administrator / Maintenance & Repair	47,542	10,000	9,000	40,950	31,800				
471 Board of Trustees	12,880	11,900	10,710	12,528	12,528				
	963,440	707,543	755,333	905,255	857,505	23,000	83,100		
MEDIA RELATIONS & ADVERTISING									
501 Marketing General	30,482	14,600	13,140	-	-				
411 Media Relations	60,234	47,600	42,840	55,450	55,450				
413 Exhibition Promotional Materials	5,769	0	0	-	-				
	96,485	62,200	55,980	55,450	55,450				
ADVERTISING									
412 Promotional Brochures	33,222	39,100	35,190	28,400	28,400				
414 Institutional Advertising	88,812	120,500	108,450	114,300	114,300				
415-XXX Exhibition Advertising	223,469	185,000	166,500	264,000	264,000				
416 Advertising General	7,449	10,000	9,000	10,000	10,000				
	352,952	354,600	319,140	416,700	416,700				
New deYoung Planning	159,869	0	400,000	350,000	350,000	350,000			
Operations Group									
202 Warehouse	150,598	152,330	152,330	159,419	159,419				
203 Security	40,482	49,000	44,100	46,626	45,000				
204 Engineering -- de Young	53,881	39,650	35,685	39,675	39,675				
204-818 Engineering -- Legion	31,512	38,965	35,069	48,025	48,025				
208-614 233 Post, Floors Mezzanine, 3, 5 & 6	127,470	133,100	133,100	170,186	170,186				
211 Courier Vehicle Op	1,942	2,900	2,610	3,500	3,500				
212 Health and Safety	3,689	4,300	3,870	4,300	4,300				
214 Pest Control	2,231	20,800	20,800	14,100	14,100				
215 Custodial - de Young	43,444	41,700	37,530	40,550	40,550				
215-819 Custodial - Legion	54,892	57,375	51,638	57,875	57,875				

Appendix "H" -- COFAM Other Expense Summary FY 1998-99 Draft

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			FY 1997-98	Department		FY 1998-99		
		FY 1997-98	Rolling	Requested	Proposed	Spec Fnd or	Equipment	
	FY 1996-97	Original	Forecast	FY 1998-99	FY 1998-99	Fee Covg	Purchases	
	Actuals	Budget	Apr-98				over $1K	Notes
Division / Departments								
216 Visitor Services - General	574	1,950	1,755	2,780	1,100			Plus $1,680 in temp help (coat check)
217 Volunteer Council	5,432	9,305	8,375	9,225	9,225			
218 Flower Committee	11,582	11,550	10,395	10,450	10,450			
219 -ADA Disabled	7,527	5,750	5,175	5,850	5,650			
	535,056	568,675	542,431	610,361	607,055			
334 Facilities Rentals	33,142	17,750	15,975	20,350	20,350			
Stores								
461-5 Museum Stores	123,299	100,000	77,500	129,050	133,850			
463 Product Development	13,868							
	137,167	100,000	77,500	129,050	133,850			
Subtotal Administrative Division	2,278,111	1,810,768	1,766,359	2,487,166	2,440,910	373,000	83,100	
Grand Totals	5,884,449	5,335,474	5,786,507	7,636,161	7,536,838	738,925	95,100	

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#2
6/11/98

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees
Special Meeting

June 11, 1998

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Call to Order

The special meeting of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, June 11, 1998, in Gallery 23 of the M. H. de Young Memorial Museum, Golden Gate Park, San Francisco. A quorum was present that being one-third of the number of Trustees in office. The meeting was called to order at 5:01 p.m. by Richard W. Goss II, Chairman.

Chairman Goss noted for the record that the change in location of the preceding, special meeting of the Board of Trustees of the Fine Arts Museums of San Francisco necessitated the change in location of this meeting.

Roll Call

The following Trustees were present:

Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
Mrs. Barbara B. Carleton
Belva Davis
Richard P. Essey
Richard H. Finn, Vice President/Finance
Morgan Flagg
Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Mrs. Richard Goodyear
Richard W. Goss II, Chairman
David R. Hoyer
Beverly James
David M. Jamison, Vice President/Audience Development
Leonard E. Kingsley
Diane B. Lloyd-Butler
Mrs. Peter McBean
Nion McEvoy
J. Alec Merriam, Vice President/Collections
Lorna F. Meyer
Michael W. Michelson
Robert A. Mills
Michael E. O'Neill

Roll Call (continued)

The following Trustees were present (continued):

William E. Steen
William A. Stimson
Carlos Pedro Villa
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, President
Alfred S. Wilsey

On motion, duly seconded and carried unanimously, the following Trustees were excused:

George McNear Bowles
Mrs. Philip E. Bowles III
Charles Crocker
Mrs. Ray Dolby, Vice President/Annual Support
Richard N. Goldman
Mrs. Nancy Hamon
J. Burgess Jamieson
Ann L. Johnson, M.D.
Stephen L. Johnson
Josie Mooney
Walter S. Newman
Steven MacGregor Read, Vice President/Facilities
George R. Roberts
Waldemar Rojas
Gail P. Seneca
Dolores G. Terrazas
Burl A. Toler, Sr.
Sidney R. Unobskey
Marshall I. Wais, Sr.
Frank Montgomery Woods

The following ex-officio Trustees were unable to be present:

Mayor Willie L. Brown, Jr.
Reverend Yvette Flunder, President, Recreation and Park Commission

Other Trustees in attendance were:

Mrs. Agnes Albert
Ruth Asawa
Shirley Breyer Black
Mrs. Ransom S. Cook
Mrs. June Goethe Craycroft
Princess Ranieri di San Faustino
Keith G. Eickman
Mrs. John V. Erickson
William Fries II
Mrs. Jerrold L. Kingsley
Mrs. Leonard E. Kingsley
Jay D. McEvoy
Mrs. James K. McWilliams
Mrs. J. Alec Merriam
Mrs. Julian Peabody
Mrs. W. Robert Phillips
Katharine Doyle Spann
Florence Sue Wong

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

President Wilsey presided; Mrs. Gough acted as Secretary.

Report of the Chairman - Richard W. Goss II

There was no business to report.

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the May 14, 1998 Meeting of the Executive Committee of the Board of Trustees

There being no discussion among the Trustees or members of the public, the minutes of the May 14, 1998 meeting of the Executive Committee of the Board of Trustees, having been mailed in advance to all Trustees, were approved unanimously.

B. Report of the Campaign Committee to Rebuild the de Young Museum in Golden Gate Park

A contribution of nearly $600,000 to the Campaign Committee to Rebuild the de Young in Golden Gate Park has been made by COFAM. Also, approximately 1,780 donors contributed generously to the Committee's fund-raising appeals.

B. Report on Letter of Agreement with the Director of Museums

President Wilsey advised that the employment contract with Harry S. Parker III, Director of Museums, expires on June 30, 1998. A Trustee committee was assembled, and based on its evaluation, Mr. Parker was offered and has signed an additional three year contract. Mr. Parker was congratulated with a standing ovation in support of his past and future efforts as Director of Museums.

Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of April 30, 1998

Steve Dykes, Deputy Director for Administration and Finance, presented the Operating Budget Report. For the period ending April 30, 1998, the operating budget was $485,370 in the black, primarily due to taking $633,875 into support from a $300,000 major unrestricted gift plus two unrestricted bequests to help achieve a balanced budget by year end. The exceptional use of non-reoccurring funds underscores the loss of de Young revenue from low attendance, resulting from the shift of major shows – both international and domestic – to the Legion after the loss of federal indemnification at the de Young last summer.

Unfortunately, the Legion cannot compensate for the de Young's decline, owing to the Legion having only half the visitor capacity of the de Young, limited parking, poor public transit, and an out-of-the-way location. Next fiscal year, three major exhibitions will mask the museum's new structural shortfall, which will likely re-emerge in FY 1999-2000 and will have to be grappled with until a new de Young is built.

At this late stage of the fiscal year, comparisons of actual results are best made against the 4/18/98 rolling forecast included in the budget report. On this basis, annual contributions are on track. Scaled back general admission fees and store sales did somewhat better than expected. However, membership dues are down and may fall short of the revised $2,472,000 level. Personnel expenses were slightly below the revised budget. On the whole, other expenses were less than budget, despite some areas moving close to authorized expense levels. Other expenses also included a COFAM contribution of $400,000 as of April 30, 1998 to the Committee to Rebuild the de Young Museum in Golden Gate Park for the campaign to pass Proposition A. The revised budget anticipates that COFAM will contribute up to $600,000 by the end of the campaign.

A. Report on COFAM Operating Budget as of April 30, 1998 (continued)

The COFAM Reserve was $2,053,086. Board policy is to maintain a $2 million reserve.

Looking toward year end on June 30th, the 4/18/98 rolling forecast narrowly achieves a balanced budget by counting on a high level of annual contributions, relying upon windfall bequests and a major gift, maximizing all revenue sources, capping expenses, locking in savings wherever possible, and holding COFAM contributions to the Proposition A campaign to $600,000. The close of FY 1997-98 will be a photo finish. Every effort is being made to keep the operating budget in the black. But owing to the difficult financial circumstances the Museums have been under, no operating surplus is anticipated to offset plan fund depreciation costs.

B. Consideration and Possible Action to Approve the FY 1998-99 Operating Budget

Mr. Parker asked Steve Dykes, Deputy Director for Administration and Finance, to present the FY 1998-99 Operating Budget Proposal. The COFAM $15.6 million operating budget proposal for the fiscal year beginning July 1, 1998 is balanced with a projected $420,524 surplus, which is sufficient to cover plant fund depreciation and make a modest addition to the COFAM Reserve. This proposed budget has been reviewed in detail by the Budget Committee, which recommends it to the Board of Trustees for approval.

Next fiscal year is buoyed by the unusual occurrence of three major exhibitions. Namely, *Picasso and the War* at the Legion (10/10/98 - 5/3/99), which will be followed by *Impressionism on the Seine: Effets de Neige* (1/30 - 5/3/99) at Yerba Buena Gardens Center for the Arts. At the same time, the Center will hold two shows at the de Young in a unique exchange of exhibitions and audiences. *A Grand Design: The Art of the Victoria and Albert Museum* (2/13 - 5/9/99), which will be held at the Legion, caps an extraordinary year.

Most of the differences between this year's budget and the new fiscal year's tie to these three big shows. The good times in FY 1998-99 are in sharp contrast to scraping by in the last twelve months due to (1) lost revenue from the de Young, which can no longer have major exhibits because of the impact of the loss of federal indemnification insurance; and (2) the inability of the Legion to offset substantially fewer de Young visitors because of the Legion's smaller size, out-of-the-way location, limited public parking, and poor public transit.

While next year's strong financial picture is welcome, the underlying problems created by a de Young drawing about half the number of visitors it used to will re-emerge in FY 1999-2000 budget planning, as well as in subsequent years, until a new museum is built.

B. Consideration and Possible Action to Approve the FY 1998-99 Operating Budget (continued)

A motion was made and seconded to approve the FY 1998-99 Operating Budget. Trustee Kingsley reiterated the seriousness of FY 1999-2000 due to the 50% decrease in de Young Museum visitors. In response to a question raised by Trustee Flagg, Mr. Dykes explained that a decrease in natural gas costs in the FAMSF City budget enabled the funding of two additional positions. There was no further discussion among Trustees. There was no public testimony. The Board of Trustees voted unanimously to adopt the following resolution as **Board Resolution 214:**

> RESOLVED, That upon the recommendation of the COFAM Budget Committee, the Board of Trustees approves the balanced COFAM FY 1998-99 Operating Budget Proposal of $15.6 million.

C. Consideration and Possible Action to Adopt a Resolution Authorizing an Increase in Membership Dues for the Senior Category of Membership

Mr. Parker introduced Gina Tan, Director of Membership and Annual Fund, as of March 30, 1998. A recent review of membership policies indicated that FAM membership dues for seniors are lower than those charged by other San Francisco museums and have not been increased since 1992. Mr. Parker recommended a change in membership dues for seniors from $35 to $40 annually. He pointed out that membership dues for teachers and students will remain unchanged at $35 per year. The following resolution was then introduced:

> WHEREAS, The Fine Arts Museums' membership dues for seniors are lower than those charged by other museums and have not been increased since 1992; now, therefore, be it
>
> RESOLVED, That the Board of Trustees of the Corporation of the Fine Arts Museums does hereby authorize the COFAM Chief Executive Officer to increase the membership dues for seniors from $35 to $40 annually.

On motion, duly seconded, the Board of Trustees voted unanimously to adopt the above resolution as **Board Resolution 215.**

D. Consideration and Possible Action to Adopt a Resolution Authorizing a Change in Policy Pertaining to the Admission of Members to Special Ticketed Exhibitions

Mr. Parker advised that the *Picasso and the War* exhibition is anticipated to significantly impact the Legion of Honor when it opens in October 1998. A number of

A. Consideration and Possible Action to Adopt a Resolution Authorizing a Change in Policy Pertaining to the Admission of Members to Special Ticketed Exhibitions (continued)

crowd control measures will need to be implemented. Members will be required to book admission in advance for this exhibition. Additionally, a change in the membership admission policy is recommended which would limit members to four free admissions per special ticketed exhibition. The Museums' current membership admission policy allows a member unlimited free admission to special ticketed exhibitions. It was noted that almost all museums limit membership attendance and that FAM members generally do not attend a special ticketed exhibition more than four times.

Mr. Parker introduced the following resolution:

WHEREAS, The move of blockbuster exhibitions from the de Young Museum to the Legion of Honor, due to the loss of indemnification at the de Young, has reduced attendance because the Legion has only half the visitor capacity of the de Young, limited parking, poor public transit, and an out-of-the way location, all of which necessitate a change in policy pertaining to the admission of members to special ticketed exhibitions; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize a change in the allocation of free admission tickets limiting entry to four free admissions per membership at the $60 level (family) and below for each special ticketed exhibition.

On motion, duly seconded, the Board of Trustees voted unanimously to adopt the above resolution as **Board Resolution 216.**

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock

On motion, duly seconded, the following resolution was unanimously adopted as **Board Resolution 217:**

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock (continued)

the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

F. Consideration and Possible Action to Adopt a Resolution Authorizing Bank Account Signatures

Given the recent change in Officers of the Corporation, there is a need to change bank account signatures. Mr. Parker presented the following resolution:

WHEREAS, In October 1987, in accordance with Board Resolution Number 4, the Corporation of The Fine Arts Museums established a bank account with Wells Fargo Bank, N.A. ("Wells Fargo") at the 5455 Geary Boulevard Branch, San Francisco; and

WHEREAS, From time to time, the bank account signers are changed by resolution (33, 91, 121 and 172); now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any one of the following nine persons may sign checks or other instruments withdrawing funds from the account for $1,000 or less; that the signatures of two of the following nine are needed for checks or other instruments between $1,001 up to and including $10,000; and that for checks and other instruments over $10,000, one signatory of numbers 1-5 and one signatory of numbers 6-9 is required:

1) Harry S. Parker III, Chief Executive Officer
2) Stephen E. Dykes, Treasurer
3) Michele Gutierrez, Fiscal Officer for the Foundation
4) Barbara Boucke, Deputy Director for Development
5) Robert M. Cullison, Controller
6) Diane B. Wilsey, President
7) Richard W. Goss II, Chairman
8) Charles Crocker, Trustee
9) Richard H. Finn, Vice President/Finance; and be it

F. Consideration and Possible Action to Adopt a Resolution Authorizing Bank Account Signatures (continued)

FURTHER RESOLVED, That the authorized check signer cannot be the sole signature on a check or other instrument paying an invoice he or she has previously authorized for payment; and be it

FURTHER RESOLVED, That Resolution Number 4 remains in full force except the names of the check signers have changed and be it

FURTHER RESOLVED, That Resolution Number 172 (Bank Account Signers) is hereby rescinded.

On motion, duly seconded, the Board of Trustees voted to unanimously adopt the above resolution as **Board Resolution 218.**

Report of the Budget Committee - Richard H. Finn, Chair and Vice President

A. Consideration and Possible Action to Appoint Auditors

Upon the recommendation of the Budget Committee, Chair Finn introduced the following recommendation which was unanimously adopted as **Board Resolution 219:**

RESOLVED, That Coopers & Lybrand is appointed to audit the combined balance sheet of the Fine Arts Museums of San Francisco (FAM) as of June 30, 1998 and the related combined statements of revenues, expenses and changes in fund balances for the year then ended; and that the combined financial statements will include COFAM, The Fine Arts Museums Foundation (FAMF), and FAM as recorded on the books of the City and County of San Francisco; and be it

FURTHER RESOLVED, That Coopers & Lybrand is also appointed to undertake a COFAM Retirement Plan Audit and a Registration Department Agreed-Upon Procedures Review; and be it

FURTHER RESOLVED, That COFAM's share of the audit cost of the combined financial statement for COFAM, FAM and FAMF plus the COFAM Retirement Plan Audit and the Registration Procedures Review will be about $65,550 including out-of-pocket costs.

Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

In the absence of Chair Dolby, Barbara Boucke, Deputy Director for Development, reported that some 1,780 donors contributed approximately $300,000 to the Campaign Committee to Rebuild the de Young Museum in Golden Gate Park. With less than one month to 1997-98 fiscal year end, $275,000 remains to be raised in order to meet the annual fund-raising goal of $2.8 million. Ms. Boucke advised that all efforts are directed at meeting this fund-raising goal and expressed appreciation to the Trustees, who are largely responsible for the positive results to date.

Report of the Fine Arts Museums Foundation - Charles Crocker, President

Trustee Stimson presented the Endowment Fund Report for Charles Crocker, President of the Fine Arts Museums Foundation, who was unable to attend today's meeting. At the close of business on June 5, 1998, the Endowment Fund portfolio was valued at $65,617,534. It was invested 63.94% in equities, 34.5% in fixed income, and 1.56% in cash and cash equivalents.

Adjournment - Richard W. Goss II, Chairman

There being no further business, the meeting was adjourned at 5:20 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

mbt986

FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

70.25
1
10/15/98

OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums
Board of Trustees

Thursday, October 15, 1998
12:30 **3:30 p.m.**[1]
Gallery 23
M. H. de Young Memorial Museum
Golden Gate Park
San Francisco, California

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AGENDA

I. Call to Order - Richard W. Goss II, Chairman

II. Calling of the Roll

Trustees:

Del M. Anderson
Alvin H. Baum, Jr.
Alix Phillips Becker
George McNear Bowles
Mrs. Philip E. Bowles III
Mrs. Barbara B. Carleton
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President of Finance
Morgan Flagg
Mrs. Lynn C. Fritz
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard N. Goldman
Mrs. Richard Goodyear

[1] Or such earlier time as the Fine Arts Museums of San Francisco Board of Trustees meeting ends, but in no event before 3:30 p.m.

II. Calling of the Role (continued)

Richard W. Goss II, Chairman
Mrs. Nancy Hamon
David R. Hoyer
Beverly James
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Diane B. Lloyd-Butler
Mrs. Peter McBean
Nion McEvoy
J. Alec Merriam, Vice President of Collections
Lorna F. Meyer
Michael W. Michelson
Robert A. Mills
Josie Mooney
Walter S. Newman
Michael E. O'Neill
Steven MacGregor Read, Vice President of Facilities
George R. Roberts
Waldemar Rojas
Gail P. Seneca
William E. Steen
William A. Stimson
Dolores G. Terrazas
Burl A. Toler, Sr.
Sidney R. Unobskey
Carlos Pedro Villa
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, President
Alfred S. Wilsey
Frank Montgomery Woods

Absences to be Excused:

II. Calling of the Roll (continued)

Non-Voting Officers:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

There will be an opportunity for public testimony before action is taken on each agenda item.

III. Report of the Chairman - Richard W. Goss II

IV. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the September 10, 1998 Meeting of the Executive Committee of the Board of Trustees (See Appendix A) See Minutes

B. Report of the Nominating Committee - Frank Montgomery Woods

1. Consideration and Possible Action to Accept the Resignation of Richard W. Goss II as Chairman of the Board of Trustees Effective at the Conclusion of the October 15, 1998 Board of Trustees Meeting

2. Consideration and Possible Action to Amend the Bylaws of the Corporation of The Fine Arts Museums Deleting References to the Position of Chairman of the Board of Trustees (See Appendix B)

C. Report on Campaign 2000, Phase II, to Build a New de Young Museum

D. Appointment of Architect Selection Committee for a New de Young Museum

E. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of August 31, 1998 (See Appendix C)

B. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

C. Other Informational Items

VI. Report of the Budget Committee - Richard H. Finn, Chair and Vice President

A. Five Year COFAM Operating Budget Projections

VI. Report of the Annual Support Committee - Barbara Boucke, Deputy Director for Development, for Mrs. Ray Dolby, Chair and Vice President

VII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

VIII. Adjournment - Richard W. Goss II, Chairman

Note: A meeting of the Members of The Fine Arts Museums Foundation will immediately follow.

abt9810

Corporation of The Fine Arts Museums
Board of Trustees
October 15, 1998

Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats and
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to a meeting. A late request will be honored if possible. Minutes of the meeting will be made in alternative formats upon request.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The MUNI's wheelchair-accessible No. 44 line (south bound) stops in front of the de Young Museum. The No. 44 line (north bound) stops in front of the Academy of Sciences. For access to the de Young Museum by BART from the East Bay, get off at the New Montgomery Station.

Take MUNI's No. 38 line (Geary) to 6th Avenue and transfer to the No. 44 line (O'Shaughnessy). For access to the de Young Museum by BART from Daly City, get off at the Civic Center Station. Take MUNI's No. 71 line (outbound) and transfer at 6th Avenue at Lincoln Way to the No. 44 line (O'Shaughnessy).

There is accessible parking spaces (disabled-designated) available at the following locations: a) the de Young Museum parking lot (driveway access at 10th Avenue and Kennedy Drive); and b) the Music Concourse area, east end (access from Tea Garden Drive).

Accessible seating for persons with disabilities (including those using wheelchairs) will be available. For Telecommunication Device for the Deaf (TDD), the Museums use the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

If you are unable to attend the meeting, you may submit written comments to Judy Gough, Fine Arts Museums of San Francisco, 233 Post Street, 6th Floor, San Francisco, CA, 94108.

CORPORATION OF THE FINE ARTS MUSEUMS

Proposed Amendments

Bylaws
of the
Corporation of The Fine Arts Museums

ARTICLE IV., TRUSTEES

Section 3., VACANCIES., Page 3

Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any Trustee may resign effective upon giving written notice to the **[Chairman of the Board,]** the President ***of the Board,*** the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation.

Section 7., SPECIAL MEETINGS., Page 4

Special meetings of the Board for any purpose or purposes may be called at any time by the **[Chairman of the Board, the]** President ***of the Board,*** or any six Trustees.

Section 12., COMMITTEES., (c) Executive Committee., Page 8

(1) Composition. **[The Chairman, t]** ***T***he President and each Vice President of this Corporation and the members of the Executive Committee of the Fine Arts Museums of San Francisco shall be members of the Committee.

ARTICLE V., OFFICERS

Section 1., OFFICERS., Page 10

...The Corporation may also have, at the discretion of the Board, **[a Chairman of the Board,]** one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be elected in accordance with the provisions of Section of this Article V. Any number of offices may be held by the same person except as provided in the Articles or in these Bylaws and except that neither the Secretary nor the Treasurer may serve concurrently as the President **[or Chairman]** of the Board. Officers other than the President **[, and Chairman]** need not be members of the Board.

Note: Deletions in [ ]; additions in *italics.*

-- over --

ARRTICLE V., OFFICERS., (continued)

[Section 6., CHAIRMAN OF THE BOARD., Page 11

The Chairman of the Board shall be responsible for the Capital Campaign; invite individuals to serve on the committees to assist in the Capital Campaign; serve as a member of the Executive Committee and, if present, preside at all meetings of the Board, and exercise and perform such other powers and duties as may be from time to time assigned by the Board.]

Section 7., PRESIDENT., Page 11

[In the absence of the Chairman of the Board, t] *T*he President shall preside at all meetings of the Board.

ARTICLE VI., OTHER PROVISIONS.

Section 1., ENDORSEMENT OF DOCUMENTS, CONTRACTS., Page 13

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the Corporation and any other person, when signed by **[the Chairman of the Board,]** the President ***of the Board***, or any Vice President and the Chief Executive Officer, the Secretary, any Assistant Secretary, the Treasurer, or any Assistant Treasurer of the Corporation shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same.

Note: Deletions in [ ]; additions in *italics*.

COFAM Operating Budget Report
Month Ended 31 August 1998

Overview

Operating results were ($180k) – about $148k better than budget. The reserve was $1.6m, down $265k from July. Board policy is to maintain a $2m reserve.

The operating budget bottom line will dip nearly $1m into the red this fall due to the heavy up front costs of *Picasso* (10/10/98 – 1/3/99) and *Impressionism* (1/30 – 5/3/99). Balance sheet cash will drop further as store inventory rises temporarily for the big shows. Between this inventory spike and operating losses, the reserve is projected to reach a low of $600k in November, followed by a steady rise to $2m in February.

Budget Highlights

Associates and Friends' donations put Annual Contributions ahead by $70k. Membership dues were up $94k, responding to big show direct mail promotions. Overall personnel costs were below budget, as were other expenses.

# # #

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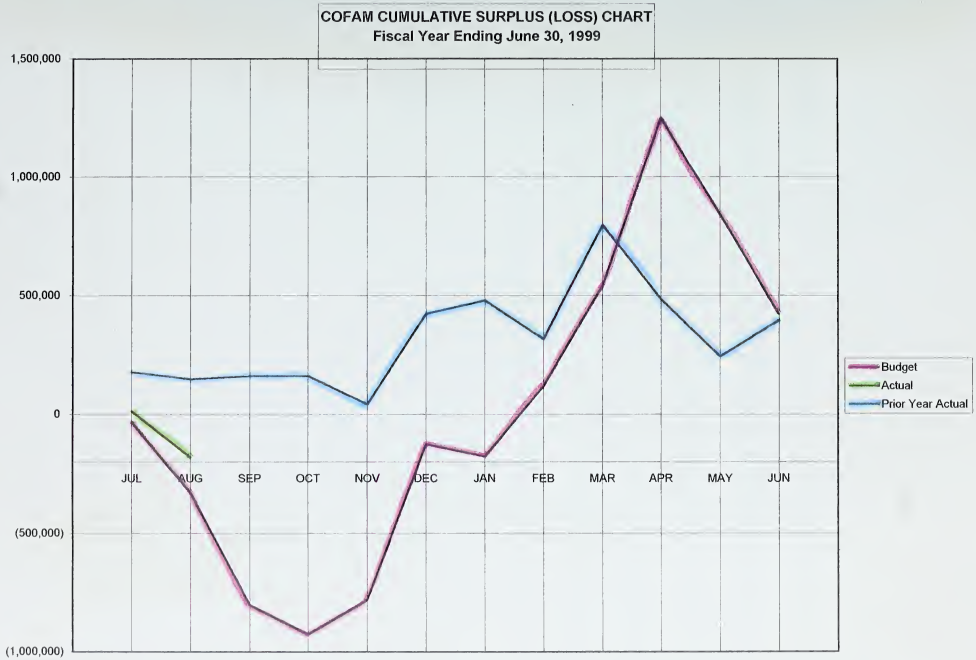
COFAM Operating Budget Report for the Month Ended 31 August 1998

	Page
Cumulative Surplus (Loss) Chart	i
Budget-In-Brief	1
Annual Contributions – Appendix "A"	5
Stores Report – Appendix "B"	6
Exhibition Program – Appendix "C"	7
Balance Sheets	9


COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal Year Ending June 30, 1999
1,500,000
1,000,000
500,000
0
(500,000)
(1,000,000)
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
Budget
Actual
Prior Year Actual

COFAM FY 1998-99 Operating Budget At August 31, 1998 (2 Months -- 16.7 Of The Budget Year)

$ in thousands

	(1) August		(2) 2-Months			(3)		(4)	
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Budget	% Actual Budget	Actual Prior Year At 2 Months	
SUPPORT & REVENUE									
Support									
1) Annual Contributions	50	108	150	220	70	2,655	8.3%	198	See page 5.
2) Bequests and Major Unrestricted Gifts	0	0	0	0	0	0	0.0%	0	
3) Foundation Endowment Support	106	106	213	213	0	1,275	16.7%	184	
4) Specified Funds									
--Curatorial/Conservation	34	35	67	59	(9)	414	14.2%	43	
--Publications	1	0	2	0	(2)	50	0.0%	17	
--Exhibition Funds Secured	18	26	25	26	1	235	11.3%	108	
--Exhibition Funds To Be Raised	0	0	0	0	0	100	0.0%	0	
--Education Programs	0	4	0	5	5	284	1.7%	5	
--New deYoung Planning	44	13	65	24	(41)	542	4.4%	0	
--General	2	2	4	4	(0)	25	15.8%	29	
Subtotal Specified Funds	99	81	164	118	(46)	1,650	7.2%	203	
5) COFAM Investment Income	13	9	17	11	(6)	140	7.7%	18	
Subtotal Support	268	304	543	562	18	5,720	9.8%	603	

COFAM FY 1998-99 Operating Budget At August 31, 1998 (2 Months -- 16.7 Of The Budget Year)

$ in thousands

	(1) August		(2) 2-Months			(3)		(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Budget	% Actual Budget	Actual Prior Year At 2 Months
Revenue								
6) Museum Store Sales	140	152	244	273	30	3,763	7.3%	429
Less Discounts	(7)	(7)	(13)	(13)	0	(175)	7.2%	(18)
Less Cost of Goods	(73)	(85)	(126)	(144)	(18)	(1,875)	7.7%	(230)
Less Commissions and Royalties	(1)	0	(1)	0	1	(112)	0.0%	0
Gross Profit	59	59	103	116	13	1,601	7.3%	182
7) Facilities Rental Gross	17	23	51	45	(6)	644	7.0%	77
8) Benefits Gross Income	40	6	40	6	(34)	313	1.8%	4
9) General Admissions COFAM Net	131	143	223	242	19	1,490	16.2%	274
10) Food & Beverage Concession Fees	14	15	25	23	(2)	153	14.7%	28
11) Exhibition Program Earned Income	0	6	7	13	6	2,255	0.6%	72
14)FAM Membership Dues	171	254	371	464	94	2,850	16.3%	322
15) Conservation Services	29	22	35	46	11	352	13.1%	32
16) Miscellaneous								
--Development Trip Fees	0	(1)	1	7	6	213	3.4%	8
--Publication Sales Net	3	2	6	2	(4)	114	2.1%	19
--Other Fees	30	15	60	27	(33)	360	7.5%	66
Subtotal Revenue	494	544	922	992	69	10,345	9.6%	1,085
Total Support & Revenue	763	847	1,466	1,553	88	16,065	9.7%	1,688

See page 6.

Museum Attendance:

August 1998: 64,103 visitors, 48.0% paid, budgeted - 65,000 visitors, 44.5% paid.
Year to Date: 113,659 visitors, 46.7% paid, budgetted - 115,000, 44.5% paid

Membership:

Year to date: 8,216 dues paid members averaging $56.50 per member
compared to budgeted goals of 5,876 dues paid members averaging $54.81 per member.
Current active paying members = 44,968

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$ in thousands

	(1) August		(2) 2-Months			(3)		(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Budget	% Actual Budget	Actual Prior Year At 2 Months
EXPENSES								
Personnel Expenses								
17) Curatorial								
Curatorial/Conservation/Education	182	191	319	314	(5)	2,369	13.3%	307
Project Funded/Term Employees	46	31	93	72	(21)	572	12.6%	61
Exhibit Group	64	64	109	107	(1)	839	12.8%	100
Exhibit Program Temporary Labor	9	12	24	20	(4)	381	5.2%	21
18) Development								
Development - General	40	38	70	65	(5)	517	12.5%	64
Membership	39	36	67	60	(7)	539	11.1%	64
19) Administration								
Administration General	92	93	164	188	24	1,199	15.7%	130
Media Relations & Advertising	22	21	38	38	(1)	282	13.3%	38
New deYoung Planning	15	12	26	23	(3)	192	12.2%	25
Operations Group	26	25	48	44	(4)	339	13.1%	43
Stores	31	35	57	59	2	573	10.3%	72
Facilities Rental	15	9	29	16	(14)	265	5.9%	22
Subtotal Personnel	580	566	1,044	1,007	(37)	8,066	12.5%	948

COFAM FY 1998-99 Operating Budget At August 31, 1998 (2 Months -- 16.7 Of The Budget Year)

$ in thousands

	(1) August		(2) 2-Months			(3)		(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Budget	% Actual Budget	Actual Prior Year At 2 Months
Other Expenses								
20) Curatorial								
Curatorial/Conservation/Education	54	32	81	47	(34)	753	6.2%	41
Publications	1	0	2	0	(2)	50	0.0%	17
Exhibit Group	11	16	17	24	7	136	17.6%	12
Exhibit Program	140	193	181	199	18	2,616	7.6%	119
21) Development								
Development - General	7	10	12	26	14	696	3.8%	35
Benefits	5	4	5	4	(1)	138	3.2%	0
Membership	51	90	109	170	61	483	35.2%	55
Magazine / Guide	20	21	25	21	(4)	265	7.8%	15
22) Administration								
Administration General	69	51	140	114	(26)	858	13.3%	103
Media Relations & Advertising	35	8	41	18	(23)	472	3.8%	41
New deYoung Planning	29	0	39	1	(38)	350	0.2%	27
Operations Group	50	46	89	89	0	607	14.6%	80
Stores	5	5	8	12	4	134	8.9%	13
Facilities Rental	2	1	2	2	0	20	10.7%	2
Subtotal Other Expenses	479	475	750	727	(24)	7,578	9.6%	560
Total Expenses	1,059	1,042	1,794	1,734	(61)	15,644	11.1%	1,508
SUPPORT & REVENUE OVER EXPENSES	(297)	(194)	(329)	(180)	148	421	-42.8%	180
COFAM SUPPORT OF BOND MEASURE CAMPAIGN								
SUPPORT & REVENUE OVER EXPENSES	(297)	(194)	(329)	(180)	148	421	(0)	180
LESS PLANT FUND DEPRECIATION	(25)	(25)	(50)	(50)	0	(300)	16.7%	(50)
	(322)	(219)	(379)	(230)	148	121	-190.3%	130

Appendix A - Annual Contributions Report -- Month Ending August 31, 1998 (16.7% Of The Budget Year)
$ in thousands

(1)	(2)			(3)				(4)	
Contribution Categories	August 1998 Actuals	Budget	August 1997 Actuals	Year To Date Budget	Actuals	Variance to Y-T-D Budget	Prior Year Actuals	Current Year Annual Goals	Current Year % of Annual Goals Achieved
1) Associates ($5,000 and up)	66	20	14	95	144	49	107	1,500	9.6%
2) Patrons ($2,500 - $5,000)	3	5	10	10	8	(2)	15	100	7.6%
3) Friends ($1,000 - $2,500)	32	15	30	31	56	25	40	450	12.4%
4) National Council/Other	1	3	1	6	5	(1)	2	55	9.7%
5) Mail Drive	0	0	0	0	0	0	2	150	0.2%
6) Phone Campaign	0	0	2	0	0	0	10	150	0.0%
7) Business	6	7	5	7	6	0	7	150	3.9%
8) Foundations	1	1	3	1	2	0	15	100	1.6%
	108	50	65	150	220	70	198	2,655	8.3%

Appendix "B" -- Stores Report: 2 Months Ended August 31,1998
$ in thousands

In House Merchandising ..... Outside Merchandising .....

	(1) deYoung Store		(2) Legion Store		(3) Wholesale & Royalties	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	115	96	116	160	13	17
Discounts	(7)	(6)	(6)	(7)		
Cost of Goods	(59)	(51)	(60)	(87)	(9)	(7)
Commissions & Royalties	0	0	0	0	(1)	0
Gross Profit	49	40	50	66	3	10
Personnel Expenses	25	30	30	25	5	5
Other Expenses	5	10	2	2	1	0
Total Expenses	30	40	32	27	6	5
Gross Profit Over Expens	19	(0)	18	39	(3)	6
Variance to Year To Date		(19)		21		9

Exhibition Merchandising .....

	(4) Picasso Store		(5) Impressionist Store		(6) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	0	0	0	0	244	273
Discounts	0	0	0	0	(13)	(13)
Cost of Goods	0	0	0	0	(128)	(144)
Commissions	0	0	0	0	(1)	0
Gross Profit	0	0	0	0	102	116
Personnel Expenses	1	0	0	0	61	59
Other Expenses	2	0	0	0	10	12
Total Expenses	3	0	0	0	71	71
Gross Profit Over Expens	(3)	0	0	0	31	45

		v e n u e	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
	In-House Exhibitions												
1	Achenbach 50th Anniversary (123)	L	18-Apr-98	05-Jul-98	1,800							(1,800)	0
2	Ancient Glass from the Holy Land (159)	D	02-May-98	16-Aug-98	27,005							(27,005)	0
3	Contemporary Screenprints: Anderson	L	09-May-98	23-Aug-98	-							0	0
4	Stanley Spencer (133)	L	06-Jun-98	06-Sep-98	33,390							(33,390)	0
5	John Steuart Curry (127)	D	13-Jun-98	30-Aug-98	30,832		30,832		Root			0	0
6	George Fitch Collection	D	13-Jun-98	06-Sep-98	3,300							(3,300)	0
7	Recent Costumes II	D	11-Jul-98	15-Nov-98	4,125							(4,125)	0
8	Wealth of the Thracians (186)	L	08-Aug-98	11-Oct-98	206,825							(206,825)	0
9	Charles Jones	D	19-Sep-98	06-Dec-98	10,550							(10,550)	0
10	Feast for the Eye	D	28-Sep-98	13-Dec-98	89,182							(89,182)	0
11	Logan Book Room (4 rotations each year)	L	01-Oct-98	ongoing	15,000							(15,000)	0
12	Picasso and the War (105)	L	10-Oct-98	03-Jan-99	666,489		120,000		NEA	445,350	Admissions 300/hr $5	(101,139)	0
										60 % paid	Audiotour $30,000 (15%)		
13	Textile Rotation (114)	D	31-Oct-98	28-Feb-99	7,625							(7,625)	0
14	Reinstall Legion (1-4) (5/8 in May)	L	01-Nov-98	15-Nov-98	29,353							(29,353)	0
15	Fred Wilson Intervention	D	01-Dec-98	02-May-98	24,990							(24,990)	0
16	Day Without Art	D	01-Dec-98		2,920							(2,920)	0
17	Recent Costume Acquisitions III	D	05-Dec-98	27-Jun-99	5,925							(5,925)	0
18	Arnold Genthe	D	19-Dec-98	21-Mar-99	16,740		16,740		Root			0	0
19	Impressionists in Winter (109)	YBG	30-Jan-99	03-May-99	916,800					1,607,518	Admissions 350/hr 60% paid	690,718	0
											Audiotour $50,000 (15%)		
20	A Grand Design: The Art of Victoria and Albert (181)	L	13-Feb-99	09-May-99	554,026					159,300	Admissions 200/hr / $2.50	(394,726)	0
											Audiotour $15,000 (15%)		
											60% paid		
21	Anderson: Claes Oldenburg	L	06-Feb-99	25-Apr-99	15,050							(15,050)	0

Continued...

		v e n u e	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income			(5) Nets	
					Original	Revised	Original	Revised		Original	Revised		Original	Revised
	In-House Exhibitions													
22	Bouquets to Art	L	01-Mar-98	01-Mar-98	-								0	0
23	Textile Rotation	D	27-Mar-99	31-Oct-99	7,625								(7,625)	0
24	Achenbach (30/37 TBA)	D	10-Apr-99	04-Jul-99	10,600								(10,600)	0
25	AOA rotation	D	15-Apr-99	ongoing	3,000								(3,000)	0
26	American Hall Cases	D	01-Apr-98	ongoing	6,550								(6,550)	0
27	A la Pintura: Motherwell (Anderson gallery 5)	L	01-May-99	25-Jul-99	15,050								(15,050)	0
28	Youth Arts Festival	D	05-May-99	09-May-99	-								0	0
29	Francis Bacon	L	13-Jun-99	02-Aug-99	205,541								(205,541)	0
30	Saxe Collection	D	26-Jun-99	17-Oct-99	87,305		87,305		Root				0	0
31	Grants and Gifts To Be Raised						100,000						100,000	0
			Subtotal In-House Exhibits		2,977,598	-	334,877		-	2,212,168	-		(430,553)	0
	FAM Travelling Exhibitions													
32	Crown Point Press (142)		01-Jul-98		2,500					8,300			5,800	0
34	If the Shoe Fits		01-Dec-98										0	0
35	Ancient Glass from the Holy Land		01-Nov-98		16,663					35,000			18,337	0
	Subtotal Traveling Tours				19,163	0	0	0		43,300	0		24,137	0
	Total In House and Traveling Exhibitions				2,996,761	0	334,877	0		2,255,468	0		(406,416)	0

COFAM Balance Sheet At August 31,1998

ASSETS

Cash	500
Cash Equivalents	2,845
Accounts Receivable	3,215
Prepaid Expenses	359
Note Receivable	100
Inventory - Store	792
Inventory - Publications	442
Investment in Bonds	790
Furniture & Equipment (Net)	448
	9,491

LIABILITIES & FUND BALANCES

Accounts Payable	253
Other Accrued Liabilities	3,441
Deferred Income - Restricted	2,043
Deferred Income - Unrestricted	3,341
Fund Balances	0
Unrestricted Fund	3,289
Plant Fund	(2,653)
Revenues over Expenses (Note 2)	(223)
	9,491

COFAM Reserve At 8/31/98 1,613

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,345
Bonds	790
Accounts Receivable	3,215
Less Accounts Payable	(253)
Less Other Accrued Liabilities	(3,441)
Less Deferred Income - Restricted	(2,043)
	1,613

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	(180)
Less Plant Fund	(74)
Plus Restricted Funds	31
Less Airport Fund	0
Surplus / (Deficit)	(223)

COFAM Balance Sheet At July 31,1998

ASSETS

Cash	418
Cash Equivalents	3,218
Accounts Receivable	3,431
Prepaid Expenses	366
Note Receivable	100
Inventory - Store	825
Inventory - Publications	435
Investment in Bonds	790
Furniture & Equipment (Net)	473
	10,056

LIABILITIES & FUND BALANCES

Accounts Payable	443
Other Accrued Liabilities	3,418
Deferred Income - Restricted	2,118
Deferred Income - Unrestricted	3,439
Fund Balances	
Unrestricted Fund	3,214
Plant Fund	(2,653)
Revenues over Expenses (Note 2)	2
	9,981

COFAM Reserve At 7/31/98	1,878

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,636
Bonds	790
Accounts Receivable	3,431
Less Accounts Payable	(443)
Less Other Accrued Liabilities	(3,418)
Less Deferred Income - Restricted	(2,118)
	1,878

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	20
Less Plant Fund	(33)
Plus Restricted Funds	15
Less Airport Fund	0
Surplus / (Deficit)	2

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Special

CORPORATION OF THE FINE ARTS MUSEUMS

Board of Trustees
Special Meeting

October 15, 1998
Minutes

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Call to Order

A special meeting of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, October 15, 1998, in Gallery 23 of the M. H. de Young Memorial Museum, Golden Gate Park, San Francisco. A quorum was present that being one-third of the number of Trustees in office. The meeting was called to order at 1:26 p.m. by Richard W. Goss II, Chairman.

Chairman Goss noted for the record that the change in time of the preceding, special meeting of the Board of Trustees of the Fine Arts Museums of San Francisco necessitated the change in time of this meeting.

Roll Call

The following Trustees were present:

Alvin H. Baum, Jr.
Alix Phillips Becker
George McNear Bowles
Mrs. Barbara B. Carleton
Richard P. Essey
Richard H. Finn, Vice President/Finance
Morgan Flagg
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard W. Goss II, Chairman
Beverly James
J. Burgess Jamieson
Diane B. Lloyd-Butler
Mrs. Peter McBean
J. Alec Merriam, Vice President/Collections
Lorna F. Meyer
Steven MacGregor Read, Vice President/Facilities
William E. Steen
Burl A. Toler, Sr.
Sidney R. Unobskey
Mrs. Charles F. Willis
Mrs. Alfred S. Wilsey, President
Frank Montgomery Woods

Roll Call (continued)

On motion, duly seconded and carried unanimously, the following Trustees were excused:

Del M. Anderson
Mrs. Philip E. Bowles III
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Mrs. Lynn C. Fritz
Richard N. Goldman
Mrs. Richard Goodyear
Mrs. Nancy Hamon
David R. Hoyer
David M. Jamison, Vice President/Audience Development
Ann L. Johnson, M.D.
Stephen L. Johnson
Leonard E. Kingsley
Nion McEvoy
Michael W. Michelson
Robert A. Mills
Josie Mooney
Walter S. Newman
George R. Roberts
Waldemar Rojas
Gail P. Seneca
William A. Stimson
Dolores G. Terrazas
Carlos Pedro Villa
Marshall I. Wais, Sr.
Mrs. Harry H. Wetzel
Alfred S. Wilsey

Other Trustees in attendance were:

Ruth Asawa
Mrs. June Goethe Craycroft
Mrs. John V. Erickson
George Hopper Fitch
Mrs. Francis A. Martin, Jr.
Jay D. McEvoy
Mrs. Lewis K. Land

Roll Call (continued)

Other Trustees in attendance were (continued):

Mrs. J. Alec Merriam
Mrs. Paul L. Wattis
Florence Sue Wong

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Executive Secretary

President Wilsey presided; Mrs. Gough acted as Secretary.

Report of the Chairman - Richard W. Goss II

There was no business to report.

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the September 10, 1998 Meeting of the Executive Committee of the Board of Trustees

There being no discussion among the Trustees or members of the public, the minutes of the September 10, 1998 meeting of the Executive Committee of the Board of Trustees, having been mailed in advance to all Trustees, were approved unanimously.

B. Report of the Nominating Committee - Frank Montgomery Woods

1. Consideration and Possible Action to Accept the Resignation of Richard W. Goss II as Chairman of the Board of Trustees Effective at the Conclusion of the October 15, 1998 Board of Trustees Meeting

Trustee Woods advised that the Nominating Committee convened on September 10, 1998 to consider a letter dated August 28, 1998 from Richard W. Goss II in which he submitted his resignation from the position of Chairman of the Board of Trustees effective at the conclusion of the October 15, 1998 Board of Trustees meeting. The Nominating Committee voted unanimously to recommend that the resignation be accepted by the Board of Trustees in view of the fact that the Proposition A campaign to rebuild the de Young Museum in Golden Gate Park has concluded. Furthermore, thanks to the efforts of the two predecessor

B. Report of the Nominating Committee - Frank Montgomery Woods (continued)

1. Consideration and Possible Action to Accept 6the Resignation of Richard W. Goss II as Chairman of the Board of Trustees Effective at the conclusion of the October 15, 1998 Board of Trustees Meeting

Chairmen, the capital fund-raising program for the Legion of Honor has been completed, and fundraising for the de Young Museum is off to a good start.

On motion, duly seconded, the Board of Trustees voted unanimously to accept the resignation of Richard W. Goss II as Chairman of the Board of Trustees at the conclusion of this meeting.

2. Consideration and Possible Action to Amend the Bylaws of the Corporation of The Fine Arts Museums Deleting References to the Position of Chairman of the Board of Trustees

On motion, duly seconded, the Board of Trustees voted unanimously to amend the Bylaws of the Corporation of The Fine Arts Museums deleting references to the position of Chairman of the Board of Trustees. The amendments are set forth in Appendix I of these minutes.

C. Report on Campaign 2000, Phase II, to Build a New de Young Museum

President Wilsey announced that over the last several months $52 million in Trustee pledges have been received for Campaign 2000, Phase II, to Build a New de Young Museum. President Wilsey was applauded for her impressive fund-raising efforts. She stated that the $52 million represents the Board of Trustees' commitment and determination to begin building a new de Young Museum as soon as possible. It was emphasized that this is a City-wide campaign. Corporations, foundations and the public will also be approached to support the effort to build a new de Young in Golden Gate Park. Any donation to Campaign 2000, Phase II, regardless of amount, was both encouraged and welcomed. It was noted that Campaign 2000, Phase I, accomplished the renovation of the Legion of Honor.

President Wilsey then reported on a recent meeting with civic leader Warren Hellman, who is organizing the effort to revitalize Golden Gate Park. Plans to build the underground parking facility in the Music Concourse are moving forward as evidenced by drafts of several fund-raising brochures soon to be distributed to the press. It is anticipated that the Mayor will appoint the Concourse Authority Board in the next several months.

D. Appointment of Architect Selection Committee for a New de Young Museum

Mr. Parker advised that a Request for Qualifications document has been developed, which is intended to solicit the interest of architectural candidates in the de Young Museum project. Planning including the identification of an architect and building will begin with private funding with the understanding that public funding may be involved in the future. The selection process is open to any architect who wants to be considered, however, it was pointed out that some of the criteria in the Request for Qualifications document require specific architectural experience. Debbie Frieden, Project Manager, will coordinate the selection process.

President Wilsey then announced the appointment of the Architect Selection Committee, which she will chair. Members include Trustees George Bowles, Charles Crocker, Belva Davis, Nancy Hamon, J. Burgess Jamieson, Sylvia Kingsley, Diane Lloyd-Butler, Nan Tucker McEvoy, J. Alec Merriam, Steven MacGregor Read, Wm. Laney Thornton, Mrs. Paul L. Wattis, Alfred S. Wilsey; Barbro Osher; and Harry S. Parker III, Director of Museums.

E. Other Informational Item

The Artists' Ball, a joint dinner-dance with the Board of the Center for the Arts at Yerba Buena Gardens, coincides with the opening of the *Impressionists in Winter* exhibition at Yerba Buena Gardens. Trustee Mrs. Philip Bowles is organizing this event; tickets are $250 for the dinner dance and $75 for the dance buffet.

Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of August 31, 1998

Steve Dykes, Deputy Director for Administration and Finance, presented the Operating Budget Report. For the period ending August 31, 1998, operating results were ($180,000), about $148,000 better than budget. The reserve was $1.6 million, down from $265,000 from July. Board policy is to maintain a $2 million reserve.

The operating budget bottom line will dip nearly $1 million into the red this fall due to the heavy up front costs of *Picasso and the War Years* (10/10/98 - 1/3/99) and *Impressionism in Winter* (1/30/99 - 5/3/99). Balance sheet cash will drop further as store inventory rises temporarily for the big shows. Between this inventory spike and operating losses, the reserve is projected to reach a low of $600,000 in November, followed by a steady rise to $2 million in February.

Associates and Friends' donations put Annual Contributions ahead by $70,000. Membership dues were up $94,000, responding to big show direct mail promotions. Overall personnel costs were below budget, as were other expenses.

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Transfer of Stock

On motion, duly seconded, the following resolution was unanimously adopted as **Board Resolution 220:**

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any two of the following individuals are fully authorized and empowered to sell, assign, transfer, and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation and to make, execute, and deliver any and all written instruments necessary or proper to effectuate the authority hereby conferred, including execution of all written instructions necessary for our nominee, Wells Fargo Bank, to implement the transaction.

Authorized Individuals:
Harry S. Parker III
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

Report of the Budget Committee - Richard H. Finn, Chair and Vice President

A. Five Year COFAM Operating Budget Projections

Chair Finn noted that his report and the five year COFAM operating budget projections were presented during the Board of Trustees meeting of the Fine Arts Museums of San Francisco, which convened just prior to this meeting.[1]

Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

In the absence of Chair Dolby, Barbara Boucke, Deputy Director for Development, stated the sincere appreciation of the Fine Arts Museums to President Wilsey for her significant effort in raising $52 million in pledges for Campaign 2000, Phase II, to Build a New de Young Museum; to Chairman Goss for his diligence in building the annual contributions program over the past seven years, and to the Trustees for their ongoing commitment and support. Funds raised account for almost 17 percent of the operating budget.

[1] The report is recorded on pages 2352 through 2354 of the minutes of the October 15, 1998 meeting of the Board of Trustees of the Fine Arts Museums of San Francisco.

eport of the Fine Arts Museums Foundation - Charles Crocker, President

hairman Goss presented the Endowment Fund Report for Charles Crocker, President of the Fine Arts luseums Foundation, who was unable to attend today's meeting. At the close of business on October 14, 998, the Endowment Fund portfolio was valued at $56,567,046. It was invested 54.01% in equities, 4.51% in fixed income, and 1.48% in cash and cash equivalents.

djournment - Richard W. Goss II, Chairman

rustee Ruth Asawa expressed appreciation to Chairman Goss for his outstanding leadership to the oard of Trustees and the Fine Arts Museums of San Francisco. Chairman Goss thanked all esent for their support during his tenure as President and Chairman of the Board of Trustees. The oard and all present acknowledged Chairman Goss with heartfelt gratitude and a standing ovation.

here being no further business, Chairman Goss adjourned the meeting at 1:58 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

mediately following this meeting, a meeting of the Members of the Fine Arts Museums undation convened.

llowing the meeting of the Members of the Fine Arts Museums, a dedication ceremony presented the United States Postal Service was held in Hearst Court. The Museum's painting, Boatman on e Missouri, by George Caleb Bingham, was honored as one of the images in the United States stal Service's *Four Centuries of American Art* stamp collection.

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Appendix I

CORPORATION OF THE FINE ARTS MUSEUMS

Proposed Amendments

Bylaws
of the
Corporation of The Fine Arts Museums

ARTICLE IV., TRUSTEES

Section 3., VACANCIES., Page 3

Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any Trustee may resign effective upon giving written notice to the **[Chairman of the Board,]** the President ***of the Board,*** the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation.

Section 7., SPECIAL MEETINGS., Page 4

Special meetings of the Board for any purpose or purposes may be called at any time by the **[Chairman of the Board, the]** President ***of the Board,*** or any six Trustees.

Section 12., COMMITTEES., (c) Executive Committee., Page 8

(1) Composition. **[The Chairman, t]** ***T***he President and each Vice President of this Corporation and the members of the Executive Committee of the Fine Arts Museums of San Francisco shall be members of the Committee.

ARTICLE V., OFFICERS

Section 1., OFFICERS., Page 10

...The Corporation may also have, at the discretion of the Board, **[a Chairman of the Board,]** one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be elected in accordance with the provisions of Section of this Article V. Any number of offices may be held by the same person except as provided in the Articles or in these Bylaws and except that neither the Secretary nor the Treasurer may serve concurrently as the President **[or Chairman]** of the Board. Officers other than the President **[, and Chairman]** need not be members of the Board.

Note: Deletions in [ ]; additions in *italics.*

ARRTICLE V., OFFICERS., (continued)

[Section 6., CHAIRMAN OF THE BOARD., Page 11

The Chairman of the Board shall be responsible for the Capital Campaign; invite individuals to serve on the committees to assist in the Capital Campaign; serve as a member of the Executive Committee and, if present, preside at all meetings of the Board, and exercise and perform such other powers and duties as may be from time to time assigned by the Board.]

Section 7., PRESIDENT., Page 11

[In the absence of the Chairman of the Board, t] ***T***he President shall preside at all meetings of the Board.

ARTICLE VI., OTHER PROVISIONS.

Section 1., ENDORSEMENT OF DOCUMENTS, CONTRACTS., Page 13

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the Corporation and any other person, when signed by **[the Chairman of the Board,]** the President ***of the Board***, or any Vice President and the Chief Executive Officer, the Secretary, any Assistant Secretary, the Treasurer, or any Assistant Treasurer of the Corporation shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same.

Note: Deletions in [ ]; additions in *italics.*